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ISRAHAF

The weather at major Swissair destinations

	B.T.84	MIN	MAX	
AMSTERDAM	1	34	51	Rain
BRUSSELS	0	32	38	Rain
CHICAGO	25	72	82	Cloudy
COPENHAGEN	1	34	51	Rain
FRANKFURT	3	30	41	Rain
GENEVA	3	27	41	Rain
HELSINKI	3	34	51	Rain
HONG KONG	12	53	72	Clear
JOHANNESBURG	18	64	79	Clear
LONDON	11	52	61	Cloudy
LUXEMBOURG	3	37	45	Cloudy
MADRID	4	39	54	Rain
MILAN	15	58	74	Cloudy
NEW YORK	9	32	49	Cloudy
OSLO	4	25	32	Cloudy
PARIS	6	43	52	Cloudy
RUDELSVIG	22	73	83	Cloudy
SÃO PAULO	20	68	86	Cloudy
STOCKHOLM	1	31	24	Cloudy
TOKYO	3	32	45	Clear
TORONTO	16	32	42	Cloudy
VIENNA	3	37	41	Cloudy
ZURICH	3	27	41	Cloudy

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THE WEATHER

Forecast: Partly cloudy, light rain possible

	Yesterday's	Humidity	Min-Max	Today's
Jerusalem	79	8-12	12	12
Golan	79	7-13	12	12
Nablus	68	12-19	18	18
Safed	79	8-10	10	10
Haifa Port	71	14-19	18	18
Tiberias	43	10-21	20	20
Nazareth	52	10-15	24	24
Niqa	43	10-19	18	18
Shimon	56	10-14	14	14
Tel Aviv	63	12-18	18	18
B-G Airport	53	11-18	17	17
Jericho	46	11-21	20	20
Caesarea	49	8-18	18	18
Beersheva	36	12-17	17	17
Eilat	37	12-20	21	21

SOCIAL & PERSONAL

Knesset Speaker Menachem Begin yesterday attended a luncheon at the Knesset given for the Australian United Israel Appeal-Keren Hayesod.

ARRIVALS

Mrs. Ronelle Silberstein, honorary national president of the American Mizrahi Women and member of the presidium of the General Zionist Council, to participate in the Zionist Council meeting.

Former top policeman Eli Dekel dies

Nitzav Eli Dekel, former deputy inspector-general of the Israel Police, died yesterday in Jerusalem at age 65.

Dekel had served with the police since 1949. He was the deputy commander of the Tel-Aviv district and was head of the national planning and operations division and head of the national organization branch.

After his retirement as deputy inspector-general in 1977, he was deputy general manager of the National Insurance Institute.

His funeral procession will leave the Sanhedria funeral parlour at 2.30 p.m. tomorrow for the military cemetery on Mount Herzl.

Guard charged in Nablus murder

TEL AVIV (Itim). — Dan bus cooperative security guard Pinhas Mahrab, 25, was charged yesterday in the district court here with being an accessory after the fact in the murder last month in Nablus of 11-year-old Aisha Adnan al-Baash.

Mahrabi was charged with changing the barrel and bolt of his Uzi submachine gun with that of Yossi Hurni, 38, of Elon Moreh on December 8, 1983, after he had travelled there as an escort on a Dan bus from Petah Tikva.

The charge said that he had purposely tried to obstruct the investigation into the girl's murder.

The prosecution maintained that it was the third time this sort of action had been carried out at Elon Moreh to confuse police investigations into shooting by its members. He asked for Mahrabi to be detained to the end of legal proceedings.

The defence said that Mahrabi was young and naive and had been taken advantage of by others. The judge delayed his decision on Mahrabi's demand until Wednesday.

In Petah Tikva, Harni's remand was extended for a further 15 days at the local magistrates' court as the main suspect in the murder. He was arrested on December 29, three weeks after the murder.

The police asked for a further remand on the basis of secret evidence in their possession, including evidence of Ephraim Segal, another suspect in the case, who, after an earlier refusal, has cooperated with the police. Harni is still refusing to cooperate with the investigation. He is accused of chasing Arab stone-throwers into a Nablus bakery where the girl's father worked and opening fire with his Uzi.

Harrods has record annual sales despite IRA bombing

LONDON (Reuters). — Harrods department store yesterday reported record sales of over £200 million (\$280m.) for its full trading year, despite a recent bomb attack. Last month Irish Republican Army terrorists planted a car bomb outside Harrods, killing six and damaging the store.

Harrods said it had become the first individual British store to achieve annual sales of over £200m.

HOME NEWS

Petah Tikva workers protest today

More than 500 industrial, service and government workers from Petah Tikva are to demonstrate outside the Finance Ministry in Jerusalem this morning, following yesterday's work sanctions and economic protests throughout the country.

In Haifa yesterday, 50 demonstrators, who are studying new trades at the Ministry of Labour and Social Affairs' adult vocational centre, blocked the entrance to the ministry offices to protest against their failure to receive their grants because of the workers' sanctions launched more than three weeks ago.

Scores of social-work students demonstrated outside the Knesset to protest against any projected cuts in the social welfare budget.

However, the staff of the Ministry of Labour and Social Affairs is delaying declaring a full strike, in the hope that negotiations this week with the Civil Service Commission can produce a solution to their wage demands. The staff representatives plan to meet today with Minister Aharon Uzan.

The scheduled demonstration at 9.30 a.m. today has been organized by the Petah Tikva Labour Council and will give vent to the workers' protests against "the absence of an economic policy at the Treasury, a situation that has led to the runaway inflation that is eroding wage-earners' pay."

Another service was suspended yesterday at the Interior Ministry as sanctions continued — transmittal to Border Police of court orders barring departure from the country of certain persons because of legal proceedings.

One staff committee leader told *The Jerusalem Post* last night that "a very high official" of the ministry admitted to the workers that "your struggle is for bread, not luxuries," and noted for the record that the ministry's 800 workers had deferred their sanctions — originally planned for three months ago — so that the local authority elections would not be disrupted.

Persons intending to apply for driving licences today, or to have their automobiles inspected for the annual test, should first call the licensing office to make sure it will be receiving the public.

Yesterday, the Transport Ministry's 3,000 workers took time off from work to attend "exploratory meetings" to discuss ways of pressing their demands. These include upgrading of many workers to

put them on par with those in other government ministries performing similar duties, and ending the ministry practice of giving many projects to private contractors when these projects — according to the workers — could be handled by the ministry staff.

Stopping just short of declaring full-fledged work sanctions, the ministry's staff committees said that while licensing curtailments will not be launched across-the-board but only at random, certain other ministry functions have been suspended until further notice. These include issuance of import licences for motor vehicles and licences for garages, and the mailing of notices to persons waiting to have their automobiles inspected.

The Jerusalem District Labour Court yesterday ordered the Communications Ministry and the postal workers staff committee to continue negotiating at least until Wednesday to prevent a complete postal strike.

Electric Corporation employees in the central and southern region have decided to suspend their action today in a bid to instigate talks with management.

(Compiled from reports by Aaron Sittner, David Rudge, Judy Siegel and Charles Hoffman)

Arafat: Egypt must return to Arab fold

AMMAN (Reuters). — Palestine Liberation Organization chairman Yasser Arafat was quoted yesterday as saying his meeting with Egyptian President Hosni Mubarak last month was aimed at restoring the balance of power in the region.

Interviewed by Jordanian reporters in Tunis Saturday about his meeting with Mubarak in Cairo, which caused an uproar in radical Arab states, Arafat said it was designed to "restore the balance vis-a-vis statelets which Israel creates."

"The balance of power cannot be restored without the return of Cairo (to the Arab fold)," he said in interviews published by Jordanian newspapers.

Arafat said Egypt was the only Arab country to provide naval protection during his withdrawal with 4,000 loyalist fighters from North Lebanon last month after a siege by Syrian-backed dissidents.

Arafat said the PLO executive committee had authorized him to hold necessary contacts and consultations with Egypt. He did not say when the decision was taken.

Ghali urges Israeli 'good gesture'

CAIRO (AP). — A cabinet minister said in an interview published yesterday that Israel's decision on whether or not to allow 160 Palestinians from the West Bank to attend a Palestinian meeting next month could play a "positive" or "destructive" role in the region's peace efforts.

Burtos Ghali, minister of state for foreign affairs, was quoted by daily newspaper *Al-Akhar* as saying an Israeli decision to allow the Palestinians to attend a meeting of the Palestine National Council, would be a "good gesture" and would help the process of confidence building in occupied territory.

The PNC is the parliament-in-exile of the Palestine Liberation Organization. The presence of the 160 members from the West Bank and Gaza Strip could assure PLO chief Yasser Arafat majority backing for his moderate policies, including adopting a political route to solve the Palestinian problem, he said.

TEACHERS. — Ninety teachers and community leaders from Latin American countries have begun a special course at Tel Aviv University in Judaism, Zionism and the history of the Land of Israel. The course is being organized in conjunction with the World Zionist Organization.



Suspected gang member Micha Levi Aslan (left) is brought to the Jerusalem Magistrates Court yesterday. (Rahumim Israeli)

Suspected gang member remanded for 15 days

One of the members of the suspected criminal gang rounded up by the Jerusalem police over the weekend was remanded yesterday for 15 days by the Jerusalem Magistrates Court. Micha Levi Aslan, 28, is suspected of involvement in murder, three attempted murders, robbery, drug-dealing and dealing in stolen goods.

His possible main witness in the case is Ya'acov Shitrit, who was shot in his Mevasseret Yerushalayim home on Friday night. Shitrit, said to be a close associate of Aslan, was critically wounded in the neck.

He is in Hadassah Hospital, Ein Kerem, and his condition is improving. Several sources suggested that Shitrit is a surprise witness whom the police hope to use, but this has not been confirmed.

A second member of the alleged

gang is to be brought before the magistrate's court today. He is suspected of involvement in other murders and attempted murders.

The court was crowded yesterday for Aslan's remand hearing. Apart from police and reporters, several of Aslan's friends were in court, including his girlfriend Sara Cohen, former wife of Azar Cohen, who was murdered at the Bar-Bakar meat-packing plant in July 1980.

The charges against Aslan were read out to the court. They included involvement in the murder of David Hayo in 1980, attempted murder of Yeheskel Aslan in 1981, involvement in the attempted murder of contractor Uri Biazzi in 1983, and the attempted murder of Shitrit last Friday night.

Police say that the gang was captured with the help of an informer. (Itim)

Alternative coalition idea revives Labour Party tension

By SARAH HONIG
Post Political Reporter

TEL AVIV. — The possibility that an alternative Alignment-led coalition may be born out of the economic impasse has revived the tensions in Labour Party.

An alternative coalition would be liable to cement the leadership of party chairman Shimon Peres and make him immune from challenges to his leadership. This is seen as the primary reason for the renewed talk in the party about a contest for the leadership.

Supporters of former prime minister Yitzhak Rabin are reportedly refurbishing organization after concluding that former president Yitzhak Navon will not, for the time being, make any move to harm Peres. Navon would be interested in the party leadership, it is thought, but only if Peres's own accord decided to yield his position.

This seems unlikely now that Labour's prospects seem to be brighter than they have been for years. Peres can say that, having held the party together through a very rough period, he is now entitled to the good will of the members.

But while the Rabin camp may have been ready to go along with a Navon leadership, it is getting restive now that Peres's position appears to have improved.

Against this background pro-

Rabin voices in Labour are now raised against the idea of an alternative Alignment-led coalition and in favour of early elections.

Thus one Rabin supporter, MK Ya'acov Tzur, cautioned against an alternative coalition, which "would be as weak and unstable as the present government and as subject to extortion from small parties and individual MKs."

The highlighted rivalry in Labour came to the fore last week when MK Avraham Katz-Oz, a Peres supporter, pressed for the replacement of Histadrut Secretary-General Yeroham Meshel by his deputy, Yisrael Kessar.

Rabin came out strongly against what he charged is an "attempt to arrange appointments behind closed doors." "The party has institutions," he said, "and changing must be decided upon and approved by these institutions."

Saudi prince confers with Mubarak

CAIRO (AP). — Prince Talal Ibn Abdel-Aziz, a half-brother of Saudi Arabia's King Fahd, met yesterday with President Hosni Mubarak.

Talal, who arrived on Saturday, became the first high-level Saudi to visit Egypt since it was ostracized by the Arab world in 1977 following the late President Anwar Sadat's visit to Jerusalem.

Kollek: Zionist leaders do nothing for Jerusalem

By JUDY SIEGEL
Jerusalem Post Reporter

Jerusalem Mayor Teddy Kollek last night berated leaders of the Zionist movement for "doing nothing, or almost nothing," for the city of Zion, and for philosophizing and indulging in political fights while the Jewish majority of Jerusalem is shrinking.

In a speech to the opening of the Zionist General Council in Binyanei Ha'uma, Kollek also said thousands of Argentinian Jews who wanted to come to Israel and settle in Jerusalem did not do so because of the shortage of government housing in the city.

President Herzog, in his address before the 550 delegates, observers and guests, called for a "vigorous, immediate and comprehensive effort" to fight emigration.

Reservist jailed for theft at border

TEL AVIV. — A 24-year-old reserve soldier who was convicted of stealing money from West Bank residents returning from visits to Jordan was sentenced yesterday to five months in prison and five months suspended by the Central District Military Court.

The court found that the soldier, who served in August, 1983 at the Adam Bridge over the Jordan River conducting body searches on West Bankers returning from visits to Jordan, had stolen money from returnees on at least two occasions.

Following complaints from three persons who had been searched by the soldier who said they were missing 20 dinars each, the man's belongings were searched and a cache of 260 dinars was found in the room where the soldier kept his weapon.

The judges noted in their ruling that the offence was "not only a breach of trust, but also tarnished the image of Israeli soldiers in the eyes of the local population. Unfortunately, this is not the first time that soldiers have fallen into such ugly behaviour through exploiting their position and function on the Jordan River bridges."

Kahane freed on bail after turning himself in

Kach leader Rabbi Meir Kahane was released by the Jerusalem Magistrates Court yesterday on IS25,000 bail, despite a police request to remand him, for three days on suspicion of inciting to violence and, escaping from detention. He was also ordered to turn his passport over to the police.

Kahane turned himself in yesterday morning at the office of Jerusalem police commander Rahumim Comfort.

Kahane had disappeared from a waiting room in the police station on Thursday, just after he was arrested on suspicion of publicly expressing support for the Jewish terror organization Terror Against Terror at a demonstration in downtown Jerusalem. (Itim)

Court asked to close

Lavie Insurance Co.

The attorney-general's office yesterday applied to the Jerusalem District Court to dissolve the Lavie Insurance Company. The company was founded in 1981, but one year later was in financial difficulties.

Following unsuccessful efforts to increase its capital, the situation worsened and the company was unable to honour its claims. Yehuda Drori, supervisor of insurance companies at the Treasury asked the attorney-general's office to use its authority to have the company dissolved. (Itim)

Diaspora Museum faces closure

Jerusalem Post Reporter

The Beth Hatefutsoth Museum of the Jewish Diaspora may have to close by the end of the month unless the Treasury relents in its decision to withhold the monthly government allocation of over IS10 million which covers some 40 per cent of the museum's operational expenses.

The funds were not transferred this month because of a decision early last year by the museum's management to pay its employees a 10 per cent special "museum allowance" without Treasury approval. The allowance is also being paid by the Israel Museum in Jerusalem and by the Tel Aviv Museum.

Diaspora Museum director Yeshayahu Weinberg at the time signed a formal undertaking with former finance minister Yoram Aridor that he would seek Treasury approval before signing any wage contract. The undertaking was given when the government agreed to pay part of the museum's initial investments. Weinberg said yesterday that the museum's public coun-

cil had been trying to come to terms with the Treasury over this issue, but all attempts to meet with Finance Minister Yigal Cohen-Orgad had failed so far.

The issue surfaced yesterday when an auditor's report of the museum's financial activities of last August was leaked to the press in what the museum management termed "a distorted and selective manner."

Eyal tops division in tennis competition

SAN JUAN, Puerto Rico (AP). — Guy Eyal of Israel yesterday won the boys' singles finals in the 12-year-old division in the fourth annual Coqui Bowl international tennis tournament here.

He easily bested Stephen Parkes of the U.S. in straight sets, 6-1, 6-3. Some 240 top juvenile players from 33 countries participated in the week-long tournament run in four age groups, sponsored by Puerto Rico's Sports and Public Recreation Department.

(Double win — Page 4)

TV fails physicist Ne'eman's test

Jerusalem Post Reporter

The best mathematician in the cabinet complained yesterday that Israel TV cannot do simple arithmetic with coalition numbers. Science Minister Yuval Ne'eman, an internationally known theoretical physicist, told his colleagues at the weekly cabinet meeting that he asked Israel TV to correct its calculations after the nightly *Mabat* newscast and is still waiting for it to come back with the right figures.

comment by cabinet correspondent Yoram Ronen that if the Tami faction quit the coalition, its majority of 64 would be reduced to 61, leaving Prime Minister Shamir at the head of a minority government.

Ne'eman told his colleagues he had phoned TV house and pointed out that 61 was more than half the Knesset. He asked for a correction to be broadcast, he said. None was forthcoming.

The reaction of several ministers was that they were past caring about Israel TV.

In deep sorrow we announce the passing of our beloved husband, father and grandfather

SHELDON HIMMELFARB 57

The funeral will take place today, Monday January 9, leaving at 1 p.m. from the municipal funeral parlour, Rehov Shamgar, Romema, for burial at the Har Hamenuhot cemetery.

His wife Frieda Himmelfarb
Sam Himmelfarb and family
Julian Himmelfarb and family
Chaim Himmelfarb and family
Shiva at 1, Rehov Ein Gedi, Talpiot, Jerusalem.

On the third anniversary of the death of our dear

DAVID (Jungu) KATZ 57

We will hold a memorial meeting at the graveside on Tuesday, January 10, 1984, at 4 p.m., at the old cemetery opposite Hof Hacarmel

The Family

passed away peacefully on Thursday, January 5, in London.

MEYER FREEMAN 57

Deeply mourned by:
His daughter, Frances Benjamin, and son-in-law, Louis — Netanya
His grandchildren and great-grandchildren
The Marriot Family — London
The Fine, Benjamin, Peterman and Landau Families — Jerusalem

Greatly bereaved, we announce the passing of our beloved husband, father, brother and grandfather

NAFTALY MALOVANY

The funeral will leave today, Monday, December 9, 1984, at 10.30 a.m. from the Ayalon Synagogue, Emek Ayalon St., Yad Eliahu, Tel Aviv, for the Elohah cemetery.
Shiva at 48 La Guardia St., Yad Eliahu, Tel Aviv.

Cantor Joseph Malovany
Livny, Freed, Malovany, and Brzezina families

In deep sorrow, we announce the death of our dear grandmother, mother

JUDITH STUCKGOLD 57

The funeral will take place today, Monday, January 9, 1984, leaving at 3.00 p.m. from the home of Aviva and Moshe Peleg for the local cemetery in Kfar Tabor.

Her daughter and son-in-law
Aviva and Moshe Peleg
Her grandchildren, Roi, Gai and Yaron
Her sisters

A memorial service (first yahrzeit) will be held for the late

Rabbi Dr. MOSHE DAVID SOLOMON 57

on Tuesday, January 10, 1984 at 2.30 p.m. at Har Hamenuhot Cemetery.
We shall meet in the parking area.

Betty Solomon
Children and Family

Herut WZO faction delays vote on Sharon

By JUDY SIEGEL
Jerusalem Post Reporter

Mounting opposition to the election of Minister-Without-Portfolio Ariel Sharon as chairman of the World Zionist Organization's aliyah department yesterday induced Herut-Hatzohar to postpone its request for a vote this morning in the Zionist General Council.

The presidium of the council, meeting yesterday, stipulated that Herut's Zionist party wing must inform it 24 hours in advance if it wants to put the Sharon nomination to a vote. Labour Zionist members expressed concern that unless a decision is made soon, the entire five-day council meeting will be overshadowed by the question of the Sharon candidacy.

Herut declared that it will reserve the right to raise the candidacy at any time during the council sessions this week. Sharon was nominated by the executive of Herut-Hatzohar by 49 votes, with two little-known Herut activists splitting another 49 votes.

Prime Minister Shamir yesterday held a half-hour meeting at his office with Zionist Executive chairman Arye Dulzin, and urged him to support Sharon for the aliyah portfolio.

Dulzin, a Liberal Party leader, said that the position "belongs" to Herut, since the aliyah chairmanship was allocated to that party at the Zionist Congress last year. But he reiterated that he does not think the former defence minister is a suitable person to attract aliyah from the west.

Shamir said he hopes Dulzin's refusal to offer support for Sharon would not damage relations between Herut and the Liberals, but Dulzin retorted that it should not, since the chairmanship still belongs to Herut.

Raphael Kotlowitz, the former chairman of the aliyah department who was ousted last October by the Jewish Agency board of governors, has still not resigned his position as a member of the Zionist Executive. Herut apparently told him to remain until another Herut representative joins the Executive in his stead.

Asked for his position on the Sharon candidacy, Interior Minister Yosef Burg (and a leader of the world Mizrahi movement) told *The Jerusalem Post* that it was too early for him to voice an opinion.

The Labour Zionists last night organized a last-minute demonstration of new immigrants outside Binyanei Ha'uma, shortly before the ZGC

was to convene inside. The immigrants declared that at "such a difficult period, the person who heads the aliyah department must be a man of vision who symbolizes the unity among us." Sharon, they argued, would instead "create confusion, division and destruction."

Avraham Avi-Hai, world chairman of Keren Hayesod and a leader of the Zionist Confederation, announced yesterday that he and his colleagues oppose Sharon for the chairmanship of the aliyah department, and urged him to reconsider his candidacy. The Confederation holds the balance in the 105-delegate Zionist General Council between the Likud coalition and the Labour opposition. Some Liberals have also voiced their opposition to Sharon.

Haim Druckman MK (Tehiya) has said that Sharon's "unconventional" ways would attract young western Jews to Israel.

Last night Minister-Without-Portfolio Sara Doron (Liberal) told *The Post*: "The Zionist movement needs an authentic sabra like Sharon who'll affect it like a bull in a china shop. After all, nobody else has succeeded in overcoming the apathy there, so maybe Sharon will get a genuine Israeli message through."

Tami may go for alternative gov't

By SARAH HONIG
Post Political Reporter

TEL AVIV. — Tami will not move for early elections even if it does not achieve a compromise on proposed cuts in the welfare budget. If the three-MK Knesset faction does decide to leave the coalition, it will opt for the creation of an alternative Alignment-led government.

Several reliable Tami sources stressed to *The Jerusalem Post* yesterday that elections are "undesirable for the State of Israel at the present time." Unofficially it is admitted that elections are unattractive to Tami in the coming months and party leaders would prefer to switch teams rather than take a chance at the polls.

Tami could easily move for early elections. It has a dissolution bill pending in the Knesset for several months, and it could be brought to the vote at any time. However, Tami sources said that this would be done only as a very last resort.

Tami's bargaining position now appears stronger than it has ever been, even though on the face of it an alternative coalition does not appear feasible even if Tami does cross the lines. With the Alignment's 50 Knesset seats, Shinui's two, and the expected tacit support from the four Rakah Communist MKs, such an alternative coalition could not count on the support of more than 59 MKs.

The National Religious Party and Agudat Yisrael have undertaken not to join any parliamentary coup. But

the betting in Tami and in the Alignment is that if Tami does switch its coalition allegiance, it will have created an opening for the other coalition partners to cross the lines as well.

The possibility that an alternative coalition may be established sometime within the coming weeks is viewed as a very realistic one in Alignment circles. This despite the fact that Labour Party chairman Shimon Peres told party activists yesterday that no contacts whatever are afoot now for the creation of an alternative coalition.

The fear that an ambush is indeed being prepared for their government haunts many Likud members. Some believe that Tami has already made up its mind to abandon the coalition as no longer politically profitable. According to this line of thought, all negotiations on the extent of cuts in the welfare budget are so much window dressing in preparation for a move that has already been decided upon.

But others believe that the government will weather this crisis as it has previous ones. According to these Likud members, Tami is merely posturing and will finally agree to some compromise for fear that its brinkmanship will result in the early elections which it does not want. They point out that a narrow alternative coalition will be as unstable and as helpless in its attempts to cure the country's economic ills as the Likud government.

(Political sources in Jerusalem yesterday indicated that there have been secret contacts between Tami and former deputy foreign minister Yehuda Ben-Meir and Education Minister Ze'evulun Hammer, leaders of the National Religious Party young guard.)

The sides are reportedly planning a joint bolt from the coalition to the Alignment. The sources said that the move is a prelude to a revamping of the NRP, with Tami, largely a splinter of that party, returning to the fold and ousting the NRP's veteran leader, Interior Minister Yosef Burg.)

The Aguda Central Committee is also expected to convene this week to hear a report from its four MKs on the state of the coalition. Agudat Yisrael too is getting increasingly jittery about the possibility that the coalition may not survive. Its faction head, MK Avraham Shapira, yesterday advised all ministers to stop quibbling and agree to budget cuts before it is too late.

According to a television report last night, a proposal was made at last week's Aguda executive meeting for a walkout from the coalition and its teaming up with the Alignment.

The proposal was never put to a vote.

Aguda sources continued to maintain in a conversation with *The Jerusalem Post* that there is no basic change in the Aguda's stand. Political observers see the party as holding a wait-and-see position.

United Mizrahi won't boost prices on services by 20%

By JOSEPH MORGENSTERN
Jerusalem Post Reporter

The United Mizrahi Bank yesterday announced that it will not raise the fees of most of its financial services by 20 per cent this month, as other commercial banks plan to do.

A United Mizrahi Bank spokesman explained that the decision was taken "to allow customers to acclimate themselves to the changes which have already occurred in the banking system, and to help them in their fight against the slowing down of the economy."

One bank client hailed the announcement. "I am not a client of Mizrahi," he said, "but I hope that their decision will get my bank to follow suit. The banks have been responsible for major losses suffered by their clients who were loyal investors in their shares. Moreover, he banks themselves have lost great sums of money in maintaining their foolish policy of share-price stabilization."

Another client pointed out that "if they now start to raise their commission rates, many of us will find

ways to do less business with the banking community and they will find that their income will fall."

Commercial banks this month raised the interest charged on overdrafts, with monthly interest of 16.5 per cent.

Clients have expressed great dissatisfaction that the banks are allowed to increase interest on overdrafts while they do not pay interest on money in cheque accounts. The banks are seeking approval of savings deposit of one week's duration, on minimum sums of IS4,000. So far the authorities have not approved short-term interest bearing deposits. A banking source said there is little chance that banks will be allowed to pay interest on regular cheque account balances.

January 20 is the cutoff date by which holders of bank shares must decide whether to close their shares up to a maximum of IS2.5 million for a minimum of four years. Commercial banks report an ever-growing circle signing up for special savings schemes.



Several dozen demonstrators, including several council delegates, protest against the nomination of Ariel Sharon as chairman of the World Zionist Organization's aliyah department at last night's opening session of the Zionist General Council at Binyanei Ha'uma in Jerusalem. (Isaac Harari)

Gov't agreement with Egged may mean cuts in service

By YITZHAK OKED
Jerusalem Post Reporter

TEL AVIV. — An agreement between the government and the Egged bus cooperative reached on Friday guaranteeing subsidies may lead to a reduction in service on certain routes. Egged officials have already hinted that the cutbacks will be a major part of a cost-cutting programme.

The Ministry of Transport, however, is stressing that the new agreement will not bring about a cut in service.

The agreement comes more than 10 years since the signing of the last such pact by the two sides. A similar agreement was signed by the ministry with the Dan bus cooperative about six months ago.

The present agreement with Egged, which guarantees government

subsidies, will be in effect for 3½ years. Each inter-urban bus fare today is subsidized on average by about 130 per cent and urban fares by about 80 per cent.

The agreement "takes into account all the expenses needed to renew the cooperative's bus fleet. Egged has ordered 1,200 Mercedes buses of which 400 have been received. The remainder are to arrive during the next two years.

Egged for its part has promised to streamline operations. During the next three years, the cooperative will reportedly save IS1 billion through internal economies. The wages of cooperative members are now pegged to a certain average in the economy, and if the cooperative secretariat wants to raise the wages of its members, it will have to be done by increasing efficiency.

75,000 work accidents cost the economy IS7.5b. in 1983

By DAVID RUDGE
Jerusalem Post Reporter

HAIFA. — Work-related accidents cost the national economy IS7.5 billion in 1983. Of this total, the National Insurance Institute paid IS2.5 billion directly to industrial accident victims and the remainder was in lost production days, said Menahem Schwartz, the director of the Labour Ministry's Safety and Hygiene Institute.

There are 75,000 work accidents throughout the country every year, or an average of 360 per day, Schwartz said. He was speaking at a safety awards presentation ceremony here in on Friday.

Haifa has the most industrial accidents of any city in the country, according to Arye Gil, the head of the Haifa branch of the NIL. An average of 1,000 work accidents are

reported to the local branch each month, representing 16 per cent of all claims made to the NIL, he said.

Haifa Labour Council secretary Moshe Wertman said industry should invest the same amount of money in safer working conditions for employees as it does in buying equipment. "The worker is more valuable than even the most sophisticated machinery," he said.

The council is working closely with employers, workers and the Safety and Hygiene Institute to promote industrial safety awareness, he said.

Eighteen factories in the north were given safety awards at the ceremony. Seven of them will be chosen to represent the region in the national finals of the 1983 industrial-safety competition.

Arad seeks reversal of bus stoppage

Jerusalem Post Staff

Arad yesterday became the first town in the south to petition the High Court of Justice against the Transport Ministry's recent orders to stop all bus services on Shabbat and Jewish holy days. Several local and regional councils in the North, including Nahariya, Acre and Afula, have already petitioned the High Court against the stoppage.

In its petition, the Arad local council noted that the town has had Shabbat bus service since its establishment 17 years ago and that the buses are used by residents to visit friends and relatives in army bases and in Soroka Hospital in Beersheba.

The petition contends that Transport Minister Haim Corfu issued

the ban on the basis of coalition obligations, and that the decision harms the safety and well-being of Arad residents.

The majority of Arad's population is secular, with the religious parties holding only one seat out of eight on the local council, the petition says.

In Nahariya last night, MK Yair Tzaban (Mapam) addressed a meeting of 150 citizens who oppose stopping the Shabbat buses, accusing Corfu of "pulling the country back to the Middle Ages."

Tzaban demanded replies from Corfu on such questions as if the buses are to run in Acre, a "mixed city," why should they not run in the remainder of Galilee, where Arabs and Druse outnumber Jews?

What goes up must come down

TIBERIAS (Itim). — For 72 straight hours she wailed and screamed from her treetop outside the windows of the Plaza Hotel here, making life miserable for the hotel's guests and frustrating all attempts by the staff to entice her off her precarious perch.

Finally the hotel management called the fire department, which for a fee of IS20,000 attached three of its longest ladders together and rescued the hapless cat from the top of a 12-metre palm tree in the hotel yard.

The cat had scampered up the tree last week to escape a dog in hot pursuit, but once on top, she simply could not figure out how to get down.

The management first tried to throw a makeshift "bridge" across to the treetop from one of the hotel's balconies. But the cat apparently did not understand what the boards were for.

As guests began to complain of the piteous wailing directly outside their windows and the cat showed no signs of coming down on her own, the management decided to pay the IS20,000 to rescue the frightened feline from her refuge.



Aviezer Pazner

Press adviser follows Shamir to PM's office

By DAVID LANDAU
Post Diplomatic Correspondent

Foreign Ministry spokesman Aviezer Pazner moved over to the Prime Minister's Office yesterday to take up his post as media adviser. Senior *Ma'ariv* newsman Yosef Ahimeir will serve as deputy adviser.

Shamir informed the cabinet yesterday of the two appointments.

Pazner will retain for the moment his Foreign Ministry job, but in practice the press department at the ministry will be run by his deputy, Yosef Amihoud.

Pazner takes over from Uri Porat, who was media adviser to Menachem Begin in his later years as premier. Porat, a longtime columnist for *Yediot Aharanot*, is said to be interested in running for the post of director-general of the Broadcasting Authority which falls vacant in April.

Negev kibbutz against IDF in Lebanon

Jerusalem Post Reporter

Members of Kibbutz Negba in the western Negev called for the unilateral withdrawal of Israeli forces from Lebanon in a rally opposite the Prime Minister's Office in Jerusalem at noon yesterday. They were joined by the Parents Against Silence organization and by Shahak, a movement of Jerusalem neighbourhood activists.

The kibbutz members brought to the rally a model of Negba's 1948 war memorial. They called upon the government to withdraw from Lebanon after securing minimal security agreements, regardless of Syrian withdrawal. Some 300 people participated in the rally.

The kibbutz movements plan to demonstrate every week to protest against the continued Israeli presence in Lebanon. The first was organized by Nir Oz, a kibbutz in the southern Negev, two weeks ago.

Masada may get multi-media hall

The Investment committee of the Tourism Ministry has announced its approval of a loan of IS30 million to the Israeli company AITI for a proposal to produce a multi-media presentation at the foot of Masada.

The plan includes a hall with a 250-metre screen and seating for 250 people. The presentation would take 30 minutes and have soundtracks available in Hebrew, English, German and French.

The ministry says about 450,000 people visit Masada every year. (Itim)

TRACK. — The Halabi Comprehensive High School in Daliat al-Carmel has won first place in a track competition sponsored by the Ministry of Education and Culture.

Max Zweig, 91, awarded literature prize

Jerusalem Post Reporter

Max Zweig, of Jerusalem, who writes in German, is one of four recipients of literature prizes to be awarded this year by the World Zionist Organization and the Jewish Agency to Jewish writers who write in languages other than Hebrew. It is the first time that a writer in German has been so honoured.

The other recipients are Josef Papirnikov and Mordechai Tzanim, who write in Yiddish, and David Turkish, who writes in Russian.

Zweig, who celebrated his 90th birthday in June 1982, when his drama *Franciskus* was performed in

Vienna on the occasion of the 800th birthday of St. Francis, was born in Prossnitz (now Prostějov in Czechoslovakia) and immigrated in 1938.

He has written 22 dramas, six of whom are on Jewish or Israeli subjects. Habimah has performed his *The Marranos* more than 90 times and his *Moritur* and *Saul* were performed on the occasion of the first anniversary of Israel's independence. His *Davidia*, a free treatment of Trumpeldor's life, was performed in Paris, New York, Buenos Aires, and also at several kibbutzim.

Mubarak sets conditions for returning envoy

By JUDY SIEGEL
Jerusalem Post Reporter

Egypt will return its ambassador to Israel after Israel withdraws from Lebanon, after a fair agreement on control over the Taba beach near Eilat, and after "progress in the resolution of the Palestinian problem."

Four U.S. congressmen said they were told this by President Hosni Mubarak during their recent three-day visit in Egypt. The congressmen, who were in Israel for eight days, and visited Lebanon, were interviewed by *The Jerusalem Post* on Saturday night, shortly before they returned home.

According to the congressmen, Mubarak also reported being told by PLO chief Yasser Arafat that the terrorist organization was not responsible for the Jerusalem bus bombing that killed six persons and injured many more last month, but that he claimed responsibility to enhance his image.

Barney Frank, a Democrat from

Massachusetts, said he and his colleagues told Mubarak that they objected to the PLO's terrorist campaign against Israel.

Tom Lewis, a Republican congressman representing a district in Florida, said he was sorry that the Mubarak-Arafat meeting had been held with the Reagan administration's blessing, since it only lent Arafat prestige and credibility. Arafat and his men, said Lewis, are clearly a "bunch of terrorists."

But Tom Carper, a Democrat from Delaware, added he did not think the meeting between the Egyptian president and Arafat was intended by Mubarak as a plot to "gang up with Hussein and Arafat against Israel." Rather, he asserted, Mubarak wanted to "seize the moment when the PLO is on the ropes to persuade Arafat to allow Hussein to negotiate with Israel."

Speaking with hundreds of marines dug in at the Beirut Airport, the congressmen learned that the men almost unanimously preferred to remain on land, rather than

be stationed on the U.S. battleship *New Jersey*. Living conditions, they explained, were more comfortable and less confining on land.

Ed Feighan, an Ohio Democrat, said that the marines' security has been drastically improved in the past month, but they're "still vulnerable, largely because of the topography."

In their free time, officers and men spend their days filling sandbags to fortify their positions, said Congressman Frank.

All four agreed that the marines' morale is high, and that the U.S. should retain a presence in Lebanon — either on land or offshore, for the "foreseeable future." They also were surprised by the lack of unanimity among Israelis on the need to remain in Lebanon and to build more settlements in the territories.

The congressmen's trip was under the auspices of the New England Office of the Anti-Defamation League of B'nai B'rith.

Ze'evi won't attend meeting on Museum

TEL AVIV. — Ha'aretz Museum chairman Rehavam Ze'evi will not attend today's meeting of the city's control committee to which he was invited to explain the illegal building on the museum grounds.

Mayor Shlomo Lahat declared last week that the plans had been approved by the city and local

building committee and that "neither he, nor Ze'evi, nor anyone else tried to build illegally or ignore any illegal construction works in the museum."

Regional Commission planner Dov Radusher last week confirmed that structures at the museum are illegally built.

UK foreign secretary begins Mideast tour

CAIRO (Reuters). — British Foreign Secretary Sir Geoffrey Howe arrived here yesterday on the first leg of a five-day tour of Egypt, Saudi Arabia and Syria, his first visit to the region since he took office last June.

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To the General Zionist Council

We are shocked that Ariel Sharon should be considered for the post of Aliyah Chairman. He is a highly controversial figure in Israel who has succeeded in alienating large segments of World Jewry and in sowing dissent wherever he has appeared.

We urge you to vote against this most unsuitable candidate.

KADIMA

Members of the Israel Labour Party and sympathizers

South African troops pulling out of Angola

JOHANNESBURG (AP). — After almost five weeks of fighting and the loss of 21 South African soldiers, Defence Minister Magnus Malan announced yesterday his troops were gradually withdrawing from Angola.

Malan said in a statement, however, that South Africa would re-invade its northwestern Marxist-ruled neighbour whenever South African forces in South West Africa, also known as Namibia, were threatened by black nationalist guerrillas.

South Africa thrust into Angola

on December 6, saying it was attacking guerrilla bases of the South West Africa Peoples Organization (SWAPO), which has fought for 17 years to wrest the territory from South African control.

Before the announced withdrawal, South Africa warned that further Soviet, Cuban and Angolan involvement could widen the war.

South Africa said it won a three-day battle last week in which the invaders engaged the Angolans and some of the estimated 25,000 Cubans supporting the Marxist

Angolan government.

Soviet commanders directed the Angolans and Cubans but did not participate beyond issuing commands from the rear. South Africa said.

South Africa says it does not want a fight with the Angolans and Cubans, but clashes erupted when these armies aided SWAPO.

Foreign Minister Pik Botha warned the next few days would determine if the fighting escalates, vowing that "the South African government is prepared to accept the conflict and strife which may

result."

Chief of Staff of Operations Lt. Gen. Ian Gleeson said that "if the situation continues where SWAPO has this kind of umbrella protection from the Cubans and Russians, with their sophisticated weaponry, we'll be compelled to do so (retaliate)."

On Saturday, Botha said South Africa "would not oppose" holding talks with SWAPO, if conducted by South Africa's administrator-general of South West Africa. Rarely has South Africa suggested direct talks with what it calls a "terrorist" organization.

Satellite discovers 200,000 stars

TUCSON (AP). — A satellite that used infrared light to scan the heavens discovered 200,000 stars and about 20,000 galaxies before going blind last year, scientists said Saturday.

"We didn't dream the sky would be so rich and complex as it has turned out to be," said Nancy Boggess of the National Aeronautics

and Space Administration.

Scientists will be busy with data collected by IRAS — the Infrared Astronomical Satellite — for "years and years and years," said David Black of NASA's Ames Research Centre.

"The mission exceeded all reasonable expectations and met even some optimistic ones," he said.

Timerman ends 4-year exile with return to Buenos Aires

BUENOS AIRES (AP). — Former newspaper publisher Jacobo Timerman, who was tortured and banished by Argentine military authorities, returned Saturday determined "to help send these criminal lunatics who made genocide a daily affair to jail."

The 60-year-old author of the 1981 best-selling book, *Prisoner Without a Name, Cell Without a Number*, ended more than four years of exile with his midday arrival on a regularly scheduled flight from New York.

Timerman obtained Israeli citizenship following his expulsion from Argentina on September 25, 1979, after 24 years of detention.

He said this visit to Argentina would last about a month. The military junta that ruled this country from a March 1976 coup until the December 10 election of President Raul Alfonsín stripped Timerman of his Argentine citizenship when it expelled him.

Timerman was arrested April 15, 1977 in his office in the Buenos Aires daily *La Opinion* which he had

published and edited since 1971. Timerman has attributed his detention to neo-Nazi tendencies in certain Argentine military circles and his newspaper's outspoken stand against widespread human-rights abuses that followed the coup.

Timerman said he was proud of his Israeli citizenship, but would accept the restitution of his Argentine nationality "with much pleasure." The author and former editor told the Associated Press before leaving New York he also intended to take legal steps toward regaining control of property, including the newspaper premises and presses, confiscated by the generals.

Spokesmen for Alfonsín's Radical Party administration have said the new congress will soon act on legislation designed to rectify the situation of those who like Timerman were deprived by the regime of their citizenship or property.

Timerman, at the time of his confiscation, estimated the newspaper's value at \$5 million.

Crowd cheers at caning of child-rapist in Karachi

KARACHI (Reuters). — More than 10,000 people applauded as the rapist of a four-year-old girl was caned 30 times in a Karachi football stadium yesterday.

"I am dying, I am dying," labourer Awal Khan, 32, cried out during the caning, the fourth to be carried out in public in Karachi since Pakistan's martial law government came to power in 1977.

He was tied to a frame for the caning, the second in public in less than a week. The judge who presided at the trial of both men had said when passing sentence that they be whipped openly for committing sexual offences.

After the caning, supervised by

two prison doctors, Awal Khan was taken to hospital.

"Awal Khan will be all right after 10 days," Karachi central jail superintendent Qazi Mumtaz Ahmad said.

"However he will not be able to sleep on his back for at least 10 days."

An Islamic court also sentenced Awal Khan to life imprisonment for the rape four years ago.

Veteran whipper Mohammed Hashim Khan, 53, said yesterday he had flogged more than 500 people during the last seven years. "I take special care of kidneys which are protected by a cotton pad," he said.

Minister's death could delay opening of Chad peace talks

ADDIS ABABA (Reuters). — Former Chadian president Goukouni Oueddei, head of the Libyan-backed forces fighting Chad's pro-Western government, arrived yesterday for talks aimed at ending his country's 18-year civil war.

After the sudden death of Chadian Vice-President Idriss Missine on Saturday there was no clear indication when the Chadian government delegation would arrive from N'Djamena or whether President Hissene Habre would lead it.

Diplomats in Addis Ababa suggested the death of Missine, who was also foreign minister, might delay the talks. Officials of the Organization of African Unity,

sponsoring the reconciliation talks between the two sides, said they did not know exactly when the Habre delegation would arrive.

Goukouni's representative to the OAU and Ethiopia, Jean-Baptiste Laokole, told Reuters that as far as he knew the talks would start this afternoon as planned.

In Paris yesterday, Chadian Ambassador Ahmed Alla-mi said Habre will not attend the opening of the conference in Addis Ababa. But his government will be represented by a strong delegation, the ambassador said.

Habre had decided not to go because Ethiopian President Mengistu Haile Mariam welcomed Goukouni at the airport, he said.

Portuguese minister opens trade talks in Iraq

BAGHDAD (Reuters). — Visiting Portuguese Foreign Affairs Minister Jaime Gama met Iraqi Foreign Minister Tareq Aziz yesterday for talks on developing trade and economic ties between their two countries.

The official Iraqi news agency INA said both sides "expressed keenness to maintain the current good relations between them and to

work for further developing them."

Portuguese officials said Portugal exported goods to Iraq worth \$50 million in the first nine months of 1983, while Iraq exported oil and dates worth \$120 to Portugal in the same period.

SCHOLARSHIPS. — Bar-Ilan students from the development towns last week received \$1.5 million in scholarships from a fund set up by Nissim Gaon of the World Sephardi Union. This week a further 277 scholarships were awarded to Bar-Ilan students from the Lady Edith Wolfson scholarship fund.

PEKING (Reuters). — The Chinese press warned yesterday of the dangers of the Soviet Union's nuclear arsenal and stressed mutual Sino-U.S. strategic interests at the start of Premier Zhao Ziyang's much-heralded first trip to the U.S.

The Communist Party's *People's Daily* chose the day Zhao arrived on the U.S. mainland from Hawaii to

British paper: Iran recruiting suicide bombers in Europe

LONDON (AP). — Suicide bombers like those who blew up American, French and Israeli centres in Lebanon are being recruited by Iran in London and Rome, *The Sunday Times* reported yesterday.

The newspaper named two prominent Iranians as being in charge of the operation in the two capitals, without giving the source of its information.

It said the recruits are from several Muslim countries, including Pakistan, Tunisia and Turkey, and that they attend special Islamic courses before going on to three training centres in Iran, two for men and one for women.

"They are trained to use a variety of arms as well as hexogen, a newly developed explosive, lighter and more effective than TNT," the story said.

It said many of the recruits have abandoned their studies or work in

Europe, Lebanon and the Persian Gulf to join the network and that in the Iranian centres they have no contact with the outside world for several months while being taught that to kill and die is "pure joy."

The report said the existence of the network "has caused some western leaders, notably U.S. President Ronald Reagan and French President Francois Mitterrand, to intensify their personal security."

The story said Iranian-directed suicide killers were responsible in Lebanon for blowing up the U.S. Embassy in Beirut last April and the American and French peace-keeping headquarters in October, the Israeli headquarters in Tyre in November and Iraq's secret police headquarters in Baghdad in November.

They also carried out bombings in Kuwait, Turkey and France, it added.

Soviet pilot advised to act on his own against intruder

MOSCOW (AP). — A senior Soviet fighter pilot, in a just published summary of rules for military pilots, says individual fliers may be forced to act on their own when dealing with planes intruding in Soviet airspace.

Col. Gen. Sergei Golybev, who holds the honour of Hero of the Soviet Union and is a decorated pilot, made only one mention of the shooting down of a South Korean passenger jet by a Soviet pilot on September 1.

Golybev, writing in the January edition of the monthly *Aviation and Cosmonautics*, neither praised nor criticized the action taken.

He noted that decisions on intruding craft would usually be taken by ground control, the pilot and his commanding officer, but "it may happen that the pilot must take the final decision."

For instance, the pilot may try to force the intruder to land at the nearest Soviet airfield, in which

case "he must do everything necessary to get the intruder plane to land," he said.

If the intruder "refuses to obey," the Soviet pilot can take "decisive measures," Golybev wrote without elaboration.

"Intelligent, independent actions are an important mark of the military maturity of a fighter pilot," he said.

The Soviets claim Korean Air Lines flight 007, with 269 people on board, was shot down after intercepter planes tried to force it to land at the nearest airfield and their signals were ignored.

Golybev used most of the three-page article to stress to fellow fighter pilots the need for constant vigilance, technical skill and alertness to protect Soviet airspace from what he claimed were "hundreds of different provocations every year" along the borders of the Soviet Union and other Communist nations.

Denis Healey says Reagan is 'most dangerous' president

LONDON (Reuters). — Denis Healey, Britain's opposition Labour Party foreign affairs spokesman, said yesterday that there is a real risk of war unless the U.S. and Soviet Union hold talks on arms control and the Middle East.

The former defence minister, asked by David Frost during an interview for Independent Television whether he considered President Reagan to be more dangerous than any previous U.S. president, replied: "Very much so."

Then he added, in a reference to recent Hollywood space adventure films: "This (Reagan's) combination of ignorance and ideology — he feels he is fighting Star Wars. He is the return of the Jedi fighting Darth Vader — this approach to world affairs is profoundly dangerous."

"Unless we can get the Americans and Russians to talk

about controlling the arms race and about the trouble in the Middle East, there is a real risk of war," Healey added.

Prime Minister Margaret Thatcher, in a separate interview published yesterday, said that dialogue between the Soviet Union and western nations should be increased.

While blaming the Soviet Union for the decline in East-West relations by intervening in Afghanistan in December, 1979 and keeping 100,000 troops there, Thatcher told the weekly *News of the World* that contacts with the Soviets must be increased "because I think we will not get things coming right until there is a greater understanding. You will not necessarily get an understanding from dialogue, but you will not get one without it." (Reuters, AP)

5th anniversary parade in Phnom Penh

PHNOM PENH (Reuters). — About 7,000 Kampuchean troops and civilians — along with a number of elephants — paraded through major streets of Phnom Penh as cheering citizens celebrated the fifth anniversary of President Heng Samrin's Vietnamese-backed government.

Soldiers, accompanied by tanks, artillery pieces and the elephants, on Saturday marched down Lenin Street fronting the royal palace to the cheers of about 170,000 residents.

Heng Samrin, whose government replaced the Khmer Rouge in 1979 with Vietnamese military assistance, said in a speech that the situation in

Kampuchea is irreversible.

He told a huge rally attended by officials from Vietnam, Laos and the Soviet Union that guerrilla activities of the anti-Vietnamese Kampuchean coalition recognized by the UN as the country's government still hampered his administration's national reconstruction efforts.

The coalition comprises forces loyal to Prince Norodom Sihanouk, former non-Communist premier Son Sann and the ousted Khmer Rouge.

The guerrillas opposing an estimated 160,000 Vietnamese troops operate mainly from bases along the Thai-Kampuchean border.

China raps Moscow as Zhao visits U.S.

PEKING (Reuters). — The Chinese press warned yesterday of the dangers of the Soviet Union's nuclear arsenal and stressed mutual Sino-U.S. strategic interests at the start of Premier Zhao Ziyang's much-heralded first trip to the U.S.

The Communist Party's *People's Daily* chose the day Zhao arrived on the U.S. mainland from Hawaii to

answer Moscow's accusations that Peking is taking an anti-Soviet stance over the nuclear-arms issue. The Premier begins his official visit in Washington tomorrow.

The *Peking Review*, the official English-language weekly, also took the opportunity to print two articles by former U.S. secretary of state Henry Kissinger and former national security adviser Zbigniew Brzezinski pointing out mutual Sino-U.S. interests in containing Soviet power.

The strength of the pro-American slant inherent in the timing with

Zhao's trip surprised political and military analysts here, although the *People's Daily* followed carefully Peking's policy of even-handed criticism of the superpowers' nuclear-arms race.

The *People's Daily* replied to the Soviet *Aviation* paper *Red Star*, which said on December 31 that China had swallowed western propaganda wholesale and mistakenly saw Soviet missiles in Asia as a threat.

The *People's Daily* said: "In the opinion of *Red Star*, if one tries to explain what sent the world situation from bad to worse one must blame the U.S. alone and must not criticize the Soviet Union."

"(Yet) in Europe, no sooner had the U.S. started to position its Pershing 2 and cruise missiles than the Soviet Union announced it would place more missiles in Eastern Europe and on its submarines."

Sports

Basketball returns

By DON GOULD
Post Basketball Reporter

TEL AVIV. — Basketball returns to Israel's shores this week after a holiday abroad since mid-December. Three teams — a national squad, Maccabi Tel Aviv and Hapoel Ramat Gan — played in foreign lands, only Maccabi among them getting as far as the final. They did so in the Crystal Palace tournament in London.

Three games tonight will complete the quarter-final round of the State Cup. Hapoel Ramat Gan play host to Upper Galilee. The match will take place in Holon, as the Ramat Gan organisation have still not settled their financial problems with Yad Eliah. To make life even more uncomfortable for the Ramat Gan team, there is friction between the players and coach Simi Reguer. This strife came to a head during the side's tour of Holland.

Upper Galilee are not having one of their better years, but they are still a tough team to beat, and Ramat Gan are not assured of an easy passage to the semi-finals.

Maccabi Tel Aviv are at home against Bnei Tel Aviv at Yad Eliah, and Hapoel Ramat Gan will play Maccabi Haifa at the Ussishkin Stadium.

On Tuesday night Maccabi Ramat Gan return to Ramat Gan against Ashdod, and on Thursday night Maccabi Tel Aviv are hosts to Bnei Sarajev.

Eyal stars again

By JACK LEON

Israel's new 11-year-old tennis star, Guy Eyal, added to his laurels in the "Cocqui Bowl" International Junior Championship in Puerto Rico by winning the boys' under 12 doubles, in partnership with his team-mate Doron Gertl. Eyal had earlier won the singles.

In the doubles final the two Israelis beat two Americans, Perkins and Richard, 6-2, 1-4, 7-5. They won the semi-finals 6-2, 6-2 against a Brazilian pair.

Eyal is coached by Gad Margalit and Gertl by Mr. Havi.

Windies win

MELBOURNE (AP). — The West Indies yesterday beat Australia by 27 runs in the opening Benson and Hedges World Series Cup one-day international at the Melbourne Cricket Ground here.

Australia were all out for 194 after 46 overs, in reply to the West Indies' 221 for seven.

The tourists' vice-captain, Viv Richards, who hit a swashbuckling 53 to help his side recover from a poor start and who later claimed the wicket of John MacGill, was named "Man of the Match." Clive Lloyd made 65.

Alan Border made a fine 84 not out for Australia, but all the other batsmen, except Rodney Marsh, 31, put up a poor display. The West Indies bowled brilliantly, and ran out three batsmen with ease.

West Indies 221 for 7, Australia 194.

In Auckland, the English side, behind by 63 runs after the first innings, were battling grimly for survival after losing four second-innings wickets for 105 runs on the second day of their three-day cricket match against Auckland here yesterday.

Resuming at five for 109, Auckland declared their first innings closed at night for 283 — a total due largely to all-rounder John Bracewell, who plundered 104 runs in an unbeaten stand against the English attack.

England in reply were immediately in deep trouble.

England 220 and 105 for 4, Auckland 283 for 8.

Czech shocks

Post Sports Staff

The Czech pair, Pavel Slezil and Tomas Smid, pulled off a shock victory in the \$200,000 WCT World Doubles Tennis Championships, which has drawn large crowds to London's Royal Albert Hall.

In a prolonged final duel yesterday, they overcame Anders Jarryd and Hans Simonsson 1-6, 6-3, 3-6, 6-4, 6-3, recovering after being set down at the end of the third set. In a semi-final encounter, they vanquished Fritz Buehning and Peter Fleming, 6-7, 7-5, 6-3, 6-4.

Another Czech had a surprising experience in Chicago. Andrus Gomez of Ecuador beat four Latin 3-6, 7-6, 7-6 in one semi-final of the \$250,000 Life Tennis Challenge of Champions.

Gomez was the underdog 7-1 in standing style to end a 138-minute match.

The other semi-final resulted in a victory for Jimmy Connors over Wojtek Fibak 6-7 (7-4), 6-1, 6-4 in another marathon that lasted 132 minutes.

Brita Lervise, of South Africa, was a qualifier who got through to play in the Western Australian open in Perth. Yesterday he won the final against the top seed, Lloyd Bourke — and did it with ease, 6-1, 6-2.

In the \$150,000 Virginia Slims Championships in Washington, Hana Mandlikova won her post-final by beating Hana Slikova 6-1, 7-4. She meets either Pam Cunniff or Zena Garrison in the final.

NBA action

Denver 141, Dallas 117; New Jersey 108, Atlanta 104; New York Knicks 140, Indiana 103; Cleveland 106 (World B. Free 30); Philadelphia 98; Chicago 87; Washington 73; Kansas City 100, Phoenix 94; Golden State 104, San Antonio 103.

Swim record

AUSTIN, Texas (AP). — Hiroko Nagai of Japan set a pool record in the women's 200-metre breaststroke on Saturday in the U.S. 30th International Meet. She recorded a time of two minutes 30.27 seconds, and finished ahead of Anne Ottenbrite of Canada.

Tracy Caulkins of the United States won her second gold medal of the meet, narrowly defeating East German Kathleen Nord in the women's 400-metre individual medley, with a time of 4 minutes 47.31 seconds to 4:47.16.

SHOPPIN' N' EATIN' IN JERUSALEM



HAVE SOME FUN WITH THE "IN CROWD"

Here's your chance to have some real fun — join the "in crowd" at the Laromme Fashion Show 1984, this Wednesday 11th January at 5 p.m. There'll be a two hour fashion extravaganza from top Israeli fashion houses, a slide lecture presentation by Helena Rubinstein cosmetics with a FREE gift for everyone, coffee, tea and cake. And all for only IS600 including VAT. Why not make up a party, take a break from the old routine and scoot on down to the bright lights at the LAROMME JERUSALEM HOTEL, Liberty Bell Park, Rehov Yotvinsky, Wednesday 11th January from 5-7 p.m. Tickets available at the reception desk and at the entrance to the fashion show.

WINTER SPECIALS

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Under The Gun

Reagan Hopes For a Break in Two Foreign Predicaments

By STEVEN R. WEISMAN

PRESIDENT REAGAN'S talents for making the best of adversity were being tested last week. Like a man pulling rabbits out of his hat, he was trying to show a skeptical public and Congress that Administration policies in the Middle East and Central America were better than they looked.

In Lebanon, there were signs of diplomatic progress that Mr. Reagan could conceivably use as a reason for withdrawing American troops, or at least redeploying them more safely. In El Salvador, there was marked military deterioration. Yet Presidential aides hoped that a bipartisan commission on Central America, headed by former Secretary of State Henry A. Kissinger, could build support for increases in military and economic aid. The commission's seven-volume report, due this week, may seek more aid than Mr. Reagan is prepared to support. The commission was contemplating an extraordinary recommendation — \$8 billion in aid to Central America over the next five years.

The most pressing foreign problem was in Lebanon. Even as the President flew back to the White House from a holiday in Palm Springs, Calif., there was fresh criticism in Congress inspired by the report of a Defense Department commission on the Oct. 23 bombing of the Marine headquarters in Beirut. A major blow was the suggestion by Representative Robert H. Michel, the House minority leader, that the policy of indefinitely deploying 1,800 marines in Beirut had become pointless. "We're just so damned boxed in, how can we influence anything?" said the Illinois Republican. A Presidential aide said there also was unhappiness at the White House with the Lebanon trip of another Republican, Senator John Tower.

Some feared the trip might lead Mr. Tower to reassess his support for keeping the marines there.

To reassure restive supporters, Mr. Reagan dispatched Robert C. McFarlane, his national security adviser, to Capitol Hill and put out word of signs of progress by Lebanese President Amin Gemayel toward achieving political reconciliation with his foes. The presence of the marines, Mr. McFarlane and other officials maintained, was encouraging Mr. Gemayel to reach out for a political rather than a military solution; "the only kind of solution that will last," a White House aide said. The most encouraging sign of progress last week was the reported near-agreement among Lebanon's warring factions to separate their military forces. If carried out, Administration aides said, the accord could help insure the safety of American marines, clear the way for their withdrawal, or at least ease the pressure on Mr. Reagan to remove them earlier than he would like.



LEBANON:

Marines near the Beirut airport watching fighting between the Lebanese Army and Shiite militias.

In perhaps the most surprising turn of events, Mr. Reagan softened his hostility toward President Hafez el-Assad of Syria. A White House official said Mr. Reagan was bent on displaying in the international arena the same pragmatism that had led to breakthroughs with Democrats on Social Security, taxes and other domestic issues. Before last week, the Administration held Syria at least partly accountable for the bombing of the Marine headquarters that killed 241 American servicemen. There had been talk of "retaliation" for that incident, and a willingness to continue air strikes and naval bom-

bardment of forces backed by Syria in Lebanon.

The President seemed personally impressed with the success of the Rev. Jesse Jackson in securing the release of Lieut. Robert O. Goodman Jr., held by the Syrians since he was shot down in a bombing mission one month ago. "I think the President was struck by the fact that Jackson told the President that Assad really wanted a dialogue," said a White House official who attended the meeting with the Democratic Presidential contender. Presidential aides said they were pleased also that they had confounded the political community in Washington

EL SALVADOR:
Wreckage of the Cuscatlan bridge, the country's major east-west link, destroyed by rebels.

by moving to embrace Mr. Jackson's mission to Damascus after earlier belittling it. At a White House ceremony, the President acted almost as if he had been the one to initiate the trip. His action added credibility to Mr. Jackson's campaign for the Democratic Presidential nomination, hardly an accident since the President's advisers would like to sow as much division as possible among the Democrats. "We put on quite a show, didn't we?" a top Reagan aide said.

Optimism a Sometime Thing

There have always been divisions within the Administration about how to deal with Syria. Presidential aides insist, however, that Mr. Reagan's basic approach to the Middle East — cooperation with Israel, military pressure on Syria and its allies in Lebanon, and political pressure on Mr. Gemayel to work with his foes — has begun to pay off. The slightest whiff of potential success could buy the President the time to build support for his policy of standing firm with the marines. "What we have to do now is spread the word that things are not as gloomy as they seem," a White House official said.

But officials have been optimistic about Central America too. Since early 1981, there have been periodic declarations that the Salvadoran Government had turned the corner in its battle with Communist-backed guerrillas and that it had also made progress in human rights. American diplomats now say privately that the military situation is as grim as ever and that progress in human rights has been disappointing.

White House officials agreed last week that Mr. Reagan would have to seek as much as \$100 million in additional military aid for El Salvador this year. Congress, which is about to go into another fierce struggle over Federal deficits, is not likely to be receptive. Moreover, the Kissinger Commission may not be of much help in building a bipartisan coalition for such aid.

The commission was formed last year in the hope that it could achieve such a coalition by looking at the region's long-term problems. While commission members may be in accord on the need for more aid, they are reportedly struggling to agree on such questions as whether aid to El Salvador should be conditioned on improvement in human rights there and whether the United States should end its "covert" support for attempts to overthrow the Government of Nicaragua. Commission members were even uncertain about how long the report would be.

At the White House, officials say that Central America is on the back burner. But there is acknowledgement that, with more military setbacks, it may rival Lebanon as an issue politically damaging to Mr. Reagan, who could thus be on the defensive on both counts when Congress reconvenes Jan. 23.



Major News

In Summary

The New York Times / George Thomas
Lieut. Robert O. Goodman Jr., the Rev. Jesse Jackson and President Reagan outside the White House last week.

Jackson Trip Is a Gamble That Pays Off

The Rev. Jesse Jackson was the only gambler in the drama that last week resulted in Syria's freeing a captured American Navy flier, but he was not the only winner and perhaps not even the biggest. Accompanied by Lieut. Robert O. Goodman Jr., the Democratic Presidential contender, came home to White House congratulations and with hope, albeit uncertain, that his mission to Damascus might set off negotiations leading perhaps not to Middle East peace, but to more of it than Lebanon has known in a decade.

That hope was bolstered when President Reagan publicly thanked Syrian President Hafez al-Assad for

releasing Lieutenant Goodman, whose plane was shot down Dec. 4 during a raid on Syrian antiaircraft emplacements in eastern Lebanon. There followed an upsurge of Congressional sentiment to withdraw the 1,800 marines holed up in Beirut; Israeli intimations in Washington that they might be willing to withdraw most of their forces whether or not Syria did likewise (officials in Jerusalem said they were considering only a "redeployment"); and a new Saudi-negotiated cease-fire plan that appeared more substantial than previous truce proposals.

But there were also thunderous reminders that the violence in Lebanon swirls around numerous enemies and conflicting goals that were entirely unaffected by the release of a lone American captive. Two marines were slightly wounded as heavy factional fighting broke out in Beirut

yesterday; analysts said it stemmed from last-ditch attempts to consolidate territory before a truce took effect. There was no telling when that might be. Walid Jumblatt, the Druse leader, continued to voice strong objections to the plan.

Earlier in the week, Israel launched a major air strike at what it said were terrorist camps, but some bombs fell on a school and a mosque, according to Lebanese police, as well as guerrilla positions that Israel said were the targets of its "surgical strike." Reports said between 40 and 100 people were killed and about 400 injured. Lebanese officials said many were civilians, including schoolchildren.

Mr. Jackson, meanwhile, basked in the success of his "humanitarian" quest for Lieutenant Goodman's freedom, which had been discouraged by the White House and dismissed by other analysts as grandstanding or naive. The drama was enhanced by the on-again-off-again nature of his talks with the Syrians and Mr. Assad's sudden announcement that he had been swayed by Mr. Jackson's "moral appeal."

Word of the mission's success had barely gotten out when the Administration changed its posture, expressing official gratitude and congratulations. "You don't quarrel with success," Mr. Reagan beamed.

Walter F. Mondale and Senator John Glenn, the leaders in the race for the Democratic nomination, offered their praise, as did the other Democratic aspirants. But some analysts speculated that Mr. Jackson's victory hurt his fellow Democrats without significantly improving his own chances. Nevertheless, it certainly boosted his stature as a national figure, along with, perhaps, the influence he will carry into the Democratic convention.

Ups and Downs In Salvador

It is a Latin American tradition for a Government to find posts abroad for those who embarrass or endan-

ger it. Last week, El Salvador packed off two police officers to places unnamed in a move to comply with United States demands for a crackdown on people linked to right-wing death squads. This helped the State Department to report progress in human rights as a prelude to requesting perhaps as much as \$100 million in additional military aid.

Two big military defeats by leftist insurgents made it clear the military needs help. An army base was overrun and held for several hours with heavy Government losses and the country's most important bridge link between the eastern and western regions was destroyed after Government defenders were routed. The rebels turned 132 prisoners over to the Red Cross.

The displaced officers worked in police intelligence until quietly removed in November. Other police and army officers may follow but the Government has pleaded a lack of legal means to force out civilians. The action against Colonel Marquez and Major Pozo was taken discreetly, an indication of the difficulty in moving against the right, which has objected strongly to Washington's human rights drive.

The Anti-Communist Army, one of the terrorist groups, said "we are not going to allow the gringos to come and make decisions on changes in military posts."

Before the two transfers, the Government had arrested an army captain linked to the killing of two American labor advisers in 1981. Apparently confident they will get more money anyway, officials have been slow to react to American pressure.

This year's request for aid to El Salvador will probably be made after the report this week of the special commission on Central America headed by Henry A. Kissinger. It reportedly warns that the Soviet Union is threatening a "strategic coup of major proportions" in the region and calls for a "new alliance of democracy and prosperity" fortified with \$8 billion in aid over the next five years.

State Department sources said that to buttress his report, the for-

mer Secretary of State arranged the recall of Anthony C.E. Quintan, the United States Ambassador to Nicaragua for the past two years, who was said to have views that undercut the commission's findings. Mr. Kissinger said he had had nothing to do with the shift.

During a visit to Managua last week, Richard B. Stone, the President's special ambassador to Central America, reportedly asked the Government to loosen its ties to Cuba but was turned down.

Officials of the Contadora group, Mexico, Panama, Colombia and Venezuela, met yesterday with the Central Americans to discuss a peace plan that stresses an end to outside intervention.

The Governor Fires at Will

Perhaps stung by complaints that he had not been sufficiently innovative during his first year in office, Governor Cuomo offered enough new directions last week to keep a compass needle spinning. In his State of the State Message, which opens the

'Insider' trading and Thayer's resignation

4

New York State Legislative session, Mr. Cuomo proposed 296 government initiatives, by his own count, designed to rebuild the Empire State. The shopping list was also intended to restore his standing among Democrats uncomfortable with his fiscal conservatism.

Mr. Cuomo called for an equal rights amendment to the state constitution and an increase in the minimum legal drinking age from 19 to 21. He proposed a \$25 million job-training program, a large but unspecified rise in state aid for education and the authorization of as much as \$6.5 billion in new revenue bonds for housing and economic development. Among other highlights: state aid for needy part-time college students, tax credits for the creation of new jobs, a state takeover of probation in felony cases and more money for toxic waste cleanup.

Such initiatives would not require major new taxes, the Governor said, appealing for more "self-help and self-reliance." He called the growth of jobs in the private sector the best hope for the future. But within that framework — more commonly associated with the Republican Party — the Democratic Governor urged social reforms and government action. "The government's principal obligation," he said, "is to provide for those who through no fault of their own cannot provide for themselves." Many of the new programs would be financed through fees and state bonds, but precisely how Mr. Cuomo proposes to pay for them will not be clear until he unveils his budget next week.

With the Legislature up for re-election this year, the political harmony that marked the Governor's first year was noticeably absent last week. Republican leaders were quick to note their differences with Mr. Cuomo.

Warren M. Anderson, the majority leader of the Republican-controlled Senate, said that despite its length, the Governor's wish list was short on specifics and new ideas. According to Mr. Anderson and other Republicans, the state's chief priority should be a tax cut.

The World

Soviet Union Perfectly Clear On Missiles

Soviet Foreign Minister Andrei A. Gromyko last week hung icicles on hopes for a thaw when he meets Secretary of State George P. Shultz in Stockholm on Jan. 18. In preparing for such meetings, the Russians frequently avoid public accusations, thus suggesting they are ready for serious negotiations. This time, Mr. Gromyko seemed to have other priorities. Speaking at a luncheon for East German Foreign Minister Oskar Fischer, he attacked United States policies around the world.

He accused Washington of "duplicitous" in promoting the impression that the Soviet Union might resume the suspended talks in Geneva on medium-range nuclear missiles in Europe — as if "nothing special has happened." The condition for resuming these talks, he reiterated, was set forth on Nov. 24 by Yuri A. Andropov, the Soviet leader. The West must show "readiness" to return to the situation as it existed before the new American missiles were deployed. (Soviet SS-20 medium-range missiles were already in place.)

The State Department said the Foreign Minister's remarks were unfortunate but that Mr. Shultz would nonetheless seek "a serious, businesslike and constructive dialogue" at Stockholm. President Reagan said Mr. Shultz's presence there at the East-West conference on European security would show the

Tunisia a generally friendly and stable oasis in an often hostile and turbulent Arab world. But since independence from France in 1956, the country has had periods of unrest fed by problems of underdevelopment and a growing gap between rich and poor. Despite some progress in industrialization, Tunisia does not provide enough jobs for young people, who have benefited from the Government's heavy expenditure on education but find few outlets for their acquired literacy and other skills. Although more westernized than most Arab states, Tunisia has also been affected by Moslem fundamentalism, particularly among students.

Mr. Bourguiba instructed the Cabinet to write another budget with price increases on luxury goods. That policy, while it may be popular, is less likely to meet pressing financial needs.

A Reagan-Castro Dialogue of Sorts

Resuming the only trade the United States and Cuba have had for 20 years, President Fidel Castro and President Reagan last week exchanged accusations and insults that did nothing to foster a meeting of minds. Americans are governed by "Nazi-fascist barbarians," Mr. Castro said; Cubans by leaders who have kept them in ignorance and poverty, Mr. Reagan asserted.

The occasion was the 25th anniversary of the revolution that brought Mr. Castro to power. In Santiago where he began it, the Cuban leader devoted much of his speech to his favorite target, encouraged by an audience that chanted, "Hit the Yankees hard!" He accused the Reagan Administration of leading the world toward nuclear holocaust and of vainly trying to impede revolution in the third world.

Four days later, taking advantage of Cuba's halt in jamming the air waves, Mr. Reagan jumped into a Voice of America broadcast beamed at Latin America for some refutation. I have kept all my promises, the Cuban asserted. The promises have been betrayed, Mr. Reagan answered. Cuba is "truly free," Mr. Castro proclaimed. There have never been so many political prisoners as now, Mr. Reagan said. The invasion of Grenada was "a monstrous crime," according to Mr. Castro. Lives could have been saved if the Cuban Government had respected the desires of the Grenadians and refrained from ordering its men to fight until death, Mr. Reagan argued. So it went and may go on as the President announced that a new radio system, Radio Marti, would begin in the spring to "tell the truth about Cuba to the Cuban people."

importance the West attaches to "productive East-West dialogue." But Tass, the Soviet press agency, said the Stockholm meetings could not substitute for those at Geneva.

East-West relations also came in for debate in the Presidential campaign. "A dangerous escalation of the arms race is under way," former Vice President Walter F. Mondale said. "It's three minutes to midnight and we are scarcely talking to the Soviets at all." President Reagan, he said, "may become the first President since Hoover never to have met with his Soviet counterpart."

As for the deployment of the American weapons, the British said that the first 16 low-flying cruise missiles were ready for use at the Greenham Common base 50 miles west of London. Their companions, the first Pershing 2's, were already operational at a United States Army base near Stuttgart in West Germany. Other cruise missiles have been deployed in Sicily.

New Evidence in Aquino Murder

The Philippine Government's account of the Aug. 21 airport murder of opposition leader Benigno S. Aquino Jr. was challenged last week by testimony and photographs submitted to the official investigating commission.

An airline ground technician said he looked up after hearing a shot and saw Rolando Galman, who the Government says killed Mr. Aquino, standing and smiling in the midst of a group of soldiers several feet in front of Mr. Aquino. Autopsy reports said the former senator had been shot at close range from behind. According to the Government, Mr. Galman killed him to embarrass President Ferdinand E. Marcos. Soldiers then killed Mr. Galman.

Photographs taken with a motorized camera by a news photographer immediately after the killing showed an unidentified civilian, apparently carrying a gun, moving away from Mr. Aquino and Mr. Galman, who lay dead on the ground. The photographs, which had been confiscated by a presidential palace official, were seen by the commission for the first time last week.

In another development, the commission chairman, former Justice Corazon Agrava, said military investigators were "scaring and possibly intimidating witnesses." At her request Defense Minister Juan Ponce Enrile suspended the military's separate inquiry.

The Philippine political climate is "far from normal," the Roman Catholic Bishops Conference noted. On Jan. 27, voters will be asked to approve electoral law changes and plans to restore the office of Vice President, which Mr. Marcos abolished. In May, there is to be a National Assembly election. Diosdado Macapagal, who preceded Mr. Marcos as President 18 years ago, called for a boycott. He said the vote would merely "perpetuate and strengthen the dictatorship of President Marcos." The bishops said that "in light of the unusual circumstances," the "moral duty to vote" would not apply.

Milt Freudenheim
Henry Gintler
and Carlyle C. Douglas

Military Takes Over, but Hated Austerity Is Still a Fact of Life

Nigeria's Democracy Fails a Survival Test

By CLIFFORD D. MAY

LAGOS, Nigeria — During Nigeria's first civil-run elections last summer, diplomats, professors and others frequently asserted that the success of the democratic experiment in Africa's most populous country was vital not only here but to the entire continent. If democracy failed in this most open and pluralistic of African societies, the analysts said, it probably stood little chance elsewhere.

Then last weekend, Nigerian democracy was swept away in a swift and efficiently organized military coup. President Shehu Shagari, who had been re-elected overwhelmingly in August, was replaced by Maj. Gen. Mohammed Buhari, an armored brigade commander who was Petroleum Minister in a former military regime.

Reaction was generally cautious. Nigerian newspapers avoided commenting on the merits of the change, concentrating instead on General Buhari's pledge to curb corruption. "The important thing now," a diplomat said, "is not democracy but the chances of getting Nigeria back on its feet economically." But many ordinary citizens, who only a few months ago were expressing pride in their democratic rights, a rarity in Africa, appeared to be jubilant over the President's downfall.

For the diplomats and academics, the explanation may be at least partly shock. "We all considered the possibility of military intervention during the elections and after the results were announced, when passions were running high and there were instances of violence," a diplomat from a Commonwealth country said. "But afterward, we expected that Shagari would be given six months to a year to show what he could do. In fact, just before the coup, the ambassadors and high commissioners had all sent their year-end cables saying how stable the situation looked."

A Period of Catharsis

Some Nigerian journalists said privately that they would wait before editorializing to see how the new rulers treated their unfettered press. But they and many others said they had long been eager for sweeping changes that none of the politicians appeared to offer.

"I think we're in a period of catharsis," said Dr. Pat Utomi, a political scientist who was a special assistant to the ousted President. "Everyone is taking the view that this is great, that we're getting rid of this corrupt Government and that these guys are finally going to get what they deserve."

"Well, there was plenty of corruption, that's true," he continued. "But I'm not sure that after some reflection, we may not be sorry that we've thrown out the system as well as the men who were abusing it. I think that over time, the system would have been self-correcting. This was still a very, very young democracy."

General Buhari evidently believed Nigeria could not afford to wait. The economy was head-

ing toward "imminent collapse," he said; the primary objective would be "to revive the economy." But the early outlines of his program sounded uncannily similar to Mr. Shagari's policies, notably tough austerity measures that Western economists say are necessary after years of economic imprudence.

The average Nigerian does not appear to have grasped this point. "Austerity was killing the poor people of the country," said a Lagos automobile mechanic who welcomed the change. The caption on a cartoon in The Punch, Nigeria's second largest daily newspaper, read: "Thank God end of austerity in sight as Buhari knocks out Shehu."

A Special Case

Public regrets at the downfall of Nigerian democracy came mainly from Western and African governments and newspapers such as The Daily Nation of Kenya, which insisted the coup was "uncalled for and ill-considered." Some people noted that the takeover would provide fresh ammunition to members of the African elite who have always regarded the ballot box as an odious invention. "African military regimes can now say, 'Look, even Nigeria has a military government, so why should we disengage from politics?'" Dr. Utomi said.

A few African specialists argue that regarding a democratic Nigeria as a role model for the continent may have been wishful thinking all along. "Nigeria is a special case," said a businessman who has lived here for many years. "It follows its own rules. Nigeria doesn't follow Africa and Africa doesn't follow Nigeria," he said. "In the end, this country will evolve in its own way, no matter what we, or the military brass or anyone else says."

Others note that not all democratic institutions have been destroyed. General Buhari reportedly said he would not let the "nonsenses of litigation" interfere with his crackdown on corruption, but "it remains to be seen whether the legal system and the press will continue to function," a senior Western diplomat said. For the moment, Nigeria was still a fairly liberal and open society. At his first press conference last week, General Buhari answered questions with more candor than Mr. Shagari normally employed.

If the new military leaders succeed where Mr. Shagari failed, presumably through more disciplined and efficient implementation of similar policies, Nigeria's democratic impulses could begin to rise to the surface again. But what if the army fails? Three of the five military interventions since independence in 1960 were against military Governments. Several Western and Nigerian analysts said that younger, more hot-headed officers were waiting impatiently to see what the Buhari regime would bring.

"There's a lot of evidence to suggest this was at least partly a pre-emptive coup," a senior diplomat said. "So it makes sense to figure that the new leaders are going to be closely watched by those they pre-empted."

Few Seem Worried That No One Has Emerged in Bishop's Place

In Grenada, There's Room At the Top

By SETH MYDANS

ST. GEORGE'S, Grenada — In the sleepy fishing town of Gouyave, where people sit in the sun and watch occasional American military jeeps drive by, an old man with a bucket of white paint moved slowly down the waterfront last week painting over political slogans from the past.

One sign the old man had not yet reached carried the words, "Revolution is the Only Solution," and bore a portrait of Maurice Bishop, the man who led the country's Marxist-oriented Government for four and a half years until he was killed Oct. 19, prompting the American-led invasion six days later.

Though his portrait and his slogans are disappearing from Grenada's towns and villages, Mr. Bishop remains the country's dominant personality. No leader has yet emerged to take his place. The island is being ruled for the moment by an advisory council appointed by the Governor General, Sir Paul Scoon, under the protection of 300 American security troops and 500 Caribbean soldiers and policemen. The possibility of aid from other members of the Commonwealth was discussed during a visit last week by Commonwealth Secretary General Sir Shridath S. Ramphal. The advisory council is made up of technocrats so obscure that their chairman, Nicholas Brathwaite, began a Christmas radio address with the words, "Many of you do not know me; many of you have never heard my voice."

Anonymous leadership appears for the time being to satisfy many Grenadians who feel ill used by the governments they have had in their years since independence. First there was the autocratic government headed by Sir Eric Gairy, in whose day people tended to look over their shoulders before speaking, and then the years of revolution under Mr. Bishop, when people were said to be afraid to open their mouths even at the dentist.

The widespread reaction in Grenada is a wish to have nothing more to do with politicians, and even a hope that the Americans will just stay on and take care of them. Few people, from the fishermen at Gouyave to the editor of the country's new newspaper, are eager for elections soon. "My feeling is that Grenada should just be cool for a while, and then think about elections later," said Andy Alexander, a night watchman.

"I'm dismayed at people who say they want to be the first state," said Alister Hughes, a journalist. "But we need two years — I'll compromise on 18 months," he added. "To give the political climate a chance to settle. As of today, there has not been a political meeting; as of today there has not been a manifesto published."

Sir Paul announced recently the appointment of a supervisor of elections, Roy Carlton Chastau, a lawyer, to set up election rules and to carry out voter registration, starting in March. Election machinery is to be in place by next



The New York Times / Seth Mydans
Children in St. George's harbor.

Christmas, although the actual timing of the vote remains to be debated.

Even those like Mr. Hughes who favor a delay worry that their Government cannot remain for too long without an elected leader. They also look forward to the day the country can stand on its own feet without an American presence, but so far nobody is venturing to guess how long this will take.

Apart from representatives of the past two Governments, a number of lesser known figures have begun gingerly to test the political waters here. Winston Whyte, once an independent member of Parliament and later a political prisoner under Mr. Bishop, has begun speaking out on Grenadian affairs and distributing funds to other former prisoners, some of whom he has asked to form local organizations for him.

Gairy Causes Worry

Lloyd Noel, who was Attorney General under Mr. Bishop before breaking with him and spending more than two years as a detainee, has made it no secret that he is a "political animal" though he has not yet made any political moves.

The possibility that most disturbs the Americans and many Grenadians is the return of Mr. Gairy, who, followers report, is living in Virginia and who has been saying he wants to come back. The fact that he hasn't done so yet is seen here as an acknowledgment of his unpopularity in some quarters.

"Poor Mr. Gairy cannot come back because we will kill him," said Insley Wardally, who owns a restaurant. "No, we don't want him back here. When a man's bad, he's bad already," said a woman named Mrs. Redhead at the St. George's marketplace. "He don't get better; he gets worse."

Yet political experts recall that Mr. Gairy had a hard-core following of 40 percent of the electorate in past elections, consisting mostly of older people. Even if that was to be cut in half, he could win an election if enough small parties fractured the vote.

Another worrisome question mark for many Grenadians and for the Americans is the power of Mr. Bishop's name and the possibility that his New Jewel Movement might be resuscitated around his memory. Sentiment among ordinary Grenadians about Mr. Bishop seems sharply divided.

"Bishop was the masses; the masses was him," said a waitress in a small rural restaurant. "In person Bishop never did wrong to nobody. The people in the party did it. Bishop never slapped nobody in the face." But James Prime, who works in construction, said, "Bishop was a wicked man. He let the Communists into the country. He was telling a lot of lies, too." Philip Donald, who is unemployed, said, "I would like to vote for Bishop, but he's dead. You can't vote for a dead man."

JANUARY 1984

Prime Minister Zhao Is Due in Washington

Chinese-U.S. Relations Take A More Realistic Direction

By CHRISTOPHER WREN

PEKING — If China's rhetoric can be believed, two of its fondest friends are the North Korean President, Kim Il Sung, and the ousted Cambodian guerrilla leader Pol Pot, whose notoriety has isolated them elsewhere. By contrast, the United States gets lumped with the Soviet Union as hegemonistic superpowers who pose the real threat to the peace-loving world.

But an old Chinese proverb, counsels: "Listen to what a person says and then watch what he does." This week Chinese Prime Minister Zhao Ziyang visits the United States as head of a Government that has distanced itself from Washington since diplomatic relations were established on Jan. 1, 1979, but that nonetheless retains common interest on a range of issues.

In the last five years, perceptions on both sides have matured, sometimes painfully, into a more sober realism about the limitations as well as the potential of the relationship. Antagonisms persist over the future of Taiwan and lesser problems, even as interdependence increases on other fronts. Mr. Zhao, who is expected in Washington tomorrow and will see Mr. Reagan Wednesday, set a conciliatory tone for the visit last week when he spoke at a news conference of "great progress" in relations between the two countries.

For complex reasons, China welcomed strategic cooperation with the United States in 1979. The Vietnamese had invaded Cambodia, ousting Pol Pot's regime. Before retreating with a punitive invasion of Vietnam, China wanted a link with the United States to discourage a comparable Soviet response on its northern border. The Soviet invasion of Afghanistan that year confirmed the value of such an alliance for Peking. The Chinese, and

American outlooks still coincide on the Cambodian and Afghanistan invasions, and converge on some other areas threatened by the Kremlin's ambitions.

But the bilateral relationship suffered from an American failure to live up to China's grand expectations. Peking hoped that the severing of official ties between the United States and Taiwan would demoralize the nationalist regime there and force it to negotiate with the mainland. Instead, Taiwan has prospered, while enjoying new infusions of American military aid. Mr. Zhao said last week he would not press for an immediate end to arms shipments to Taiwan but indicated he would remind Washington of its pledge to phase the sales out.

Peking also expected its friendship with the United States to produce a cornucopia of capital and technology for China's modernization. This was obstructed by high interest rates and tight controls on the export of computers and other sophisticated hardware. The lack of a quick technological fix from the United States was interpreted by China as a deliberate slight.

Closeness with the United States also hurt China's standing with other developing countries, where American policies are not popular. This discovery produced a shift in late 1981 toward conspicuous nonalignment. China shelved strategic cooperation and revived its superpower label for the United States—a change owing in large part to the election of Ronald Reagan, whose campaign remarks in support of Taiwan upset the Chinese. Mr. Reagan's tough approach to Moscow also left China free to moderate its hostility toward the Soviet Union and agree to talk about improving strained relations.

The Chinese-American communiqué of August 1982 clarified the Reagan Administration's position on Taiwan but fell short of dissipating the ill will. By last winter, the Chinese seemed to see little prospect of getting

Contact: David Surwit
American tourist showing his watch to Chinese at the Canton Zoo.

along with Mr. Reagan. They were consequently surprised by his decision to relax substantially controls on technology exports, which involved reclassifying China from a potential adversary to friendly nonaligned country. This week, an accord on industrial cooperation by which both sides would facilitate private investment in China is due to be signed during Mr. Zhao's stay in Washington. A treaty defining investors' rights may be ready when Mr. Reagan visits Peking, probably in April.

Other aspects of the relationship have also expanded. Although bilateral trade declined in 1983 because the Chinese stopped buying grain to protest a temporary imposition of import quotas on its textiles, total trade is still expected to exceed \$4.2 billion. That is four times the figure for 1978, before diplomatic ties were established.

United States officials estimate that at least 120,000 Americans visited China in 1983, compared with fewer than 10,000 in 1978. Some 13,000 Chinese students and scholars are studying in the United States, up from virtually zero five years ago. Chinese delegations are visiting the United States at the rate of 200 a month, a tenfold rise over five years ago.

China remains beholden to its self-image as a revolutionary nation. "The Chinese want to think of themselves as Communists," said an Eastern European diplomat. This may help explain why they claim to feel more comfortable with Kim Il Sung or Pol Pot than with President Reagan. But when Mr. Zhao comes to Washington this week, his baggage will be lighter with the absence of the old illusions about Chinese-American relations.

The Budget Is Tight, Taxes Are Up and Private Enterprise Is Returning to Lisbon

Portugal's Revolution Hits Rocky Times

By JOHN DARNTON

LISBON — The news from the Hotel London was eye-catching and funny in a way. The hotel, in a resort area of Estoril that used to be called the playground of kings, announced it would charge guests according to their height. A night's lodging would cost three escudos a centimeter (or about 70 cents a foot), which is quite a bargain. Children under 12 years old would be charged 50 percent of what their mothers paid.

Behind the Hotel London's announcement was a hint of hopelessness. Stricken like all Portuguese business by the deepening economic crisis, the hotel had seen its occupancy rate drop to 18 percent and the gimmick was a desperate bid to stay afloat. In any case, Portuguese weren't laughing. Their economy is among the worst-off in Europe. Inflation is calculated by some economists at 32 percent. Unemployment, in a country of only 10 million people, is approaching 500,000.

Even having a job no longer guarantees a steady income. Many employers, including state-owned businesses, are paying workers late or simply not paying them. The largest union, the Communist-dominated General Workers Confederation, estimates that 130,000 workers in 417 enterprises are owed back salaries, some for as long as 19 months work. The price increases, pay cuts and payless work days made for mournful holidays. Small businessmen were going broke and soup kitchens for the destitute opened in at least one city. Anti-Government posters plastered all over Lisbon showed a struggling steelworker asking, "What Christmas?"

The economic morass was years in the making, a

complicated legacy involving 48 years of a dictatorship that grew fat and lazy from African colonies, a commerce-oriented economy that did not adjust to the oil crisis, and a revolution in the mid-70's that scared away foreign investors, created a bloated state sector and unleashed hunger for imports. Portugal has been living far beyond its means; foreign debt totals \$14.2 billion.

The Government that inherited all this, and is taking forceful steps to try to turn it around, is the Socialist-led coalition of Prime Minister Mario Soares, who was returned to power in last April's elections. Under pressure from the International Monetary Fund, which provided a standby loan of \$480 million, the Soares Government is imposing an austerity that is perhaps the most draconian in Europe. It has reduced subsidies on sugar, wheat and milk. The price of codfish, so commonly eaten that it is nicknamed "the faithful friend," has doubled in less than a year. The average Portuguese now has to put in two days of work to pay for a kilo (2.2 pounds) of beef. Prices of gasoline, fuel, electricity, postage and telephone services are up. The escudo was devalued last year by more than 20 percent. Last month, Parliament passed the most rigorous budget since the 1974 revolution. It increased purchase and income taxes and added to taxes on expensive cars and boats. Despite an outcry from the tourism industry, a \$7.50 departure fee was levied on people leaving the country. A special tax of 28 percent of one month's salary all but wiped out Christmas bonuses.

Despite the fury of the Communists, who complain that the gains of the revolution are being dismantled, private enterprise is being let back into the nationalized

banking, insurance, cement and fertilizer industries. A controversial, but untested, law permits companies in severe financial straits to lay off workers.

The goal is to tame the budget deficit and to bring down the current accounts deficit in foreign trade, which reached \$3.2 billion last year. As Mr. Soares has made clear, this cannot be done without hardship. Real wages have dropped 5 percent. No one can say how much more sacrifice the long-suffering Portuguese will accept. Protests have been mild and sporadic. Peaceful vigils were held in 24 cities last month. Glass factory workers in Marinha Grande, where the Communists are strong, occasionally block the roads to call attention to their plight. At the Lisnave shipyard in Lisbon, unpaid workers took over the administration building to demand their money. But little seems to come from these actions. "What can they do?" a Western diplomat said. "They take over the offices and they find the cupboards are bare."

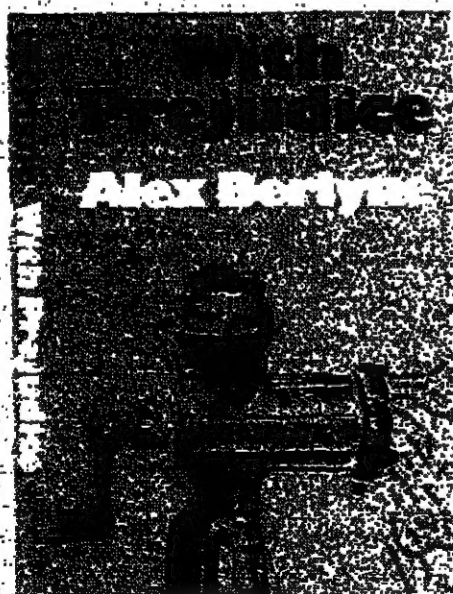
The tightly disciplined Communist Party, which draws up to 20 percent in elections, can mount awesome street demonstrations and is staunchly pro-Soviet and anti-Soares. But to the mystification of some, the party has not tried to mount an all-out offensive or attempt a general strike. Alvaro Cunhal, the wily 70-year-old party leader, may be biding his time, waiting to see if popular discontent will widen and provide openings.

Meanwhile, Mr. Soares remains popular despite the general malaise, dispensing medicine that many Portuguese acknowledge is necessary. His coalition with the fractious Social Democratic Party seems stable. There is a sense that Portugal's on-again, off-again political crises of recent years may have been replaced by a long, painful uphill struggle in search of economic recovery.

Prime Minister
Mario Soares

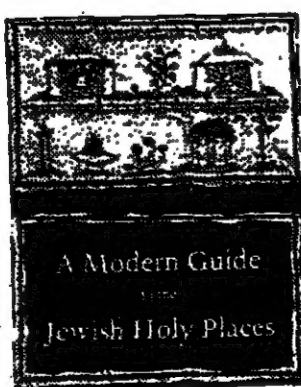
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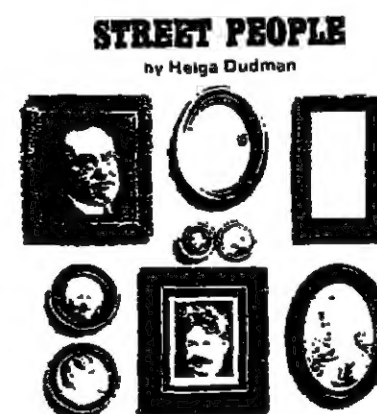
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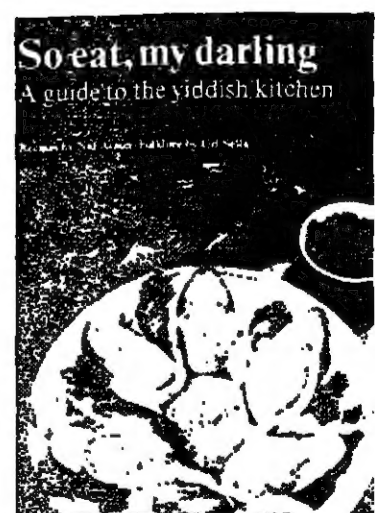
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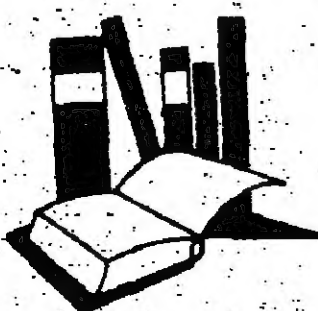
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The Nation

Taped Talkers Include a High Reagan Aide

Charles Z. Wick's catch of Washington voices appears to have included that of at least one major White House figure — James A. Baker 3d, the chief of staff.

After portions of a transcript were read to him last week, Mr. Baker recalled that the words were indeed extracts of phone conversations he had in March with Mr. Wick, the director of the United States Information Agency. Mr. Baker, who said he hadn't been told that Mr. Wick's recorder was rolling, seemed miffed. "In my opinion, the practice is unacceptable," Mr. Baker said. "It is basically not fair to tape without telling them in advance." The New York Times earlier disclosed that Mr. Wick had denied and then admitted secretly recording phone conversations with members of his staff and with other Government officials. The conversation with Mr. Baker involved President Reagan's attendance at a White House meeting arranged by Mr. Wick.

Late in the week, Mr. Reagan said that Mr. Wick, an old friend, "has done a splendid job, and he's going to continue there." A spokesman for Mr. Wick said neither his boss nor the U.S.I.A. would say anything further until the agency had assembled material requested by two Congressional committees — the House and Senate foreign relations panels — that are looking into the tapings.

By week's end, other inquiries had been launched by the Federal General Services Administration and, in Florida, by the State Attorney in Palm Beach County. Mr. Wick was in Florida when the conversations with Mr. Baker were taped; in that state the surreptitious recording of telephone calls is a felony, although it is rarely prosecuted.

Push on Crime Is Stepped Up

As the election year dawned, there were clues aplenty that crime, a staple of most recent campaigns, was being readied as an issue for yet another Presidential race.

Justice Department officials, who usually don't volunteer much information, disclosed that the Administration would ask Congress for a \$200 million increase (about 6 percent) in the department's budget for fiscal year 1985, giving Justice more than \$3.5 billion. Much of the increase, said Edward C. Schmults, Deputy Attorney General, would be used to hire 250 Federal Bureau of Investigation agents and a smaller number of drug enforcement officers.

All in all, he said, there had been "a very significant increase in new resources for Federal law enforcement over the past several years." Last year, Mr. Schmults noted, Congress approved 1,000 new agent jobs in the F.B.I. and the drug agency and in the Treasury Department's law enforcement agencies.

At the Department of Education, Gary L. Bauer, the deputy undersecretary who oversaw the drafting of a report by the President's Working Group on School Discipline, said that he expected Mr. Reagan to "use the bully pulpit, so to speak, to bring to national attention" crime in the public schools. Yesterday Mr. Reagan did just that in his radio broadcast, urging parents to become involved in curbing classroom violence.

The group's report, "Chaos in the Classroom: Enemy of American Education," says as many as 3 million secondary school children are victims of crime each month. Further, said the report, most school crime goes unpunished and the cost of vandalism exceeds spending for textbooks. Meanwhile, in his annual year-end report, Chief Justice Warren E. Burger complained that Congress had been so slow in creating new judgeships that the court system was "on the verge of collapse." The Federal judiciary needs at least 51 new trial judges and 24 more appeals court judges to cope with growing caseloads, he said. "The judiciary cannot be held responsible for litigation delay when it is not given the tools and resources needed to cope with the problem," he said.

What to Make Of Dropout Rate?

A study released last week by the Education Department suggests that, while politicians and educators have been concentrating on the quality of American education, quantity may count, too. The high school dropout rate was higher in 1982 than 10 years before, the study showed, and college entrance exam scores were down. Spending on schools increased during the decade. These trends, which were not necessarily related, had education officials scrambling for explanations.

The key findings of the report were not new but the statistics on which they were based were unusually abundant. The Education Department made a state-by-state comparison of 32 education-related indicators, comparing results in 1972 with those in 1982. The research showed that in 1982, nationwide, 72.8 percent of those who began high school graduated, compared with 77.2 percent 10 years earlier. Combined scores on one of the college entrance exams, the Scholastic Aptitude Test, dropped from an average of 937 in 1972 to 893 in 1982.

The Secretary of Education, T.H. Bell, noted that the dropout rate had increased even though school spending had also increased. He said this underscored the Reagan Administration's contention that there is no obvious correlation between a state's level of school spending and its students' scholastic achievement. Several teachers' groups and the College Board, which administers the S.A.T. exam, countered that the report was misleading and had misapplied the statistics.

Michael Wright and Caroline Rand Herrou

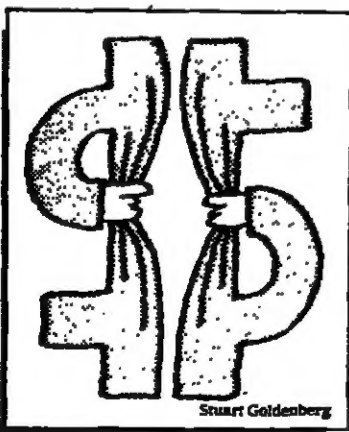
How the Budget Shapes Up

WASHINGTON — PRESIDENT REAGAN and his advisers are still working on the final details of what is expected to be a \$925 billion budget for the fiscal year that starts this Oct. 1. But David A. Stockman, the budget director, provided a good glimpse of things to come in a briefing for House Republicans last week. "It looks like pretty much a rerun of last year," said Representative Bill Green, Republican of Manhattan, after listening to a preview of the budget due to be formally unveiled on Jan. 30.

As in all of President Reagan's budgets, the 1985 model will be dominated by a projected increase in military spending — 17 percent, to \$266.5 billion. Another \$2.8 billion package of spending increases would provide extra money for foreign aid and the Coast Guard.

Proposed reductions, smaller than in past budgets, will be concentrated in Medicare and programs for the poor. Of the total of \$8.4 billion in expected cuts, \$2 billion will be in Medicare and \$2.8 billion in social service programs, including Aid to Families with Dependent Children, Medicaid and food stamps.

The projected deficit for fiscal 1985 is \$186 billion, allowing for proposed spending reductions and assuming that taxes won't be raised. Martin S. Feldstein, the chairman of the President's Council of Economic Advisers, urged the President last week to support a three-year tax increase of about \$50 billion a year, effective "sometime in 1985." He recommended that the President

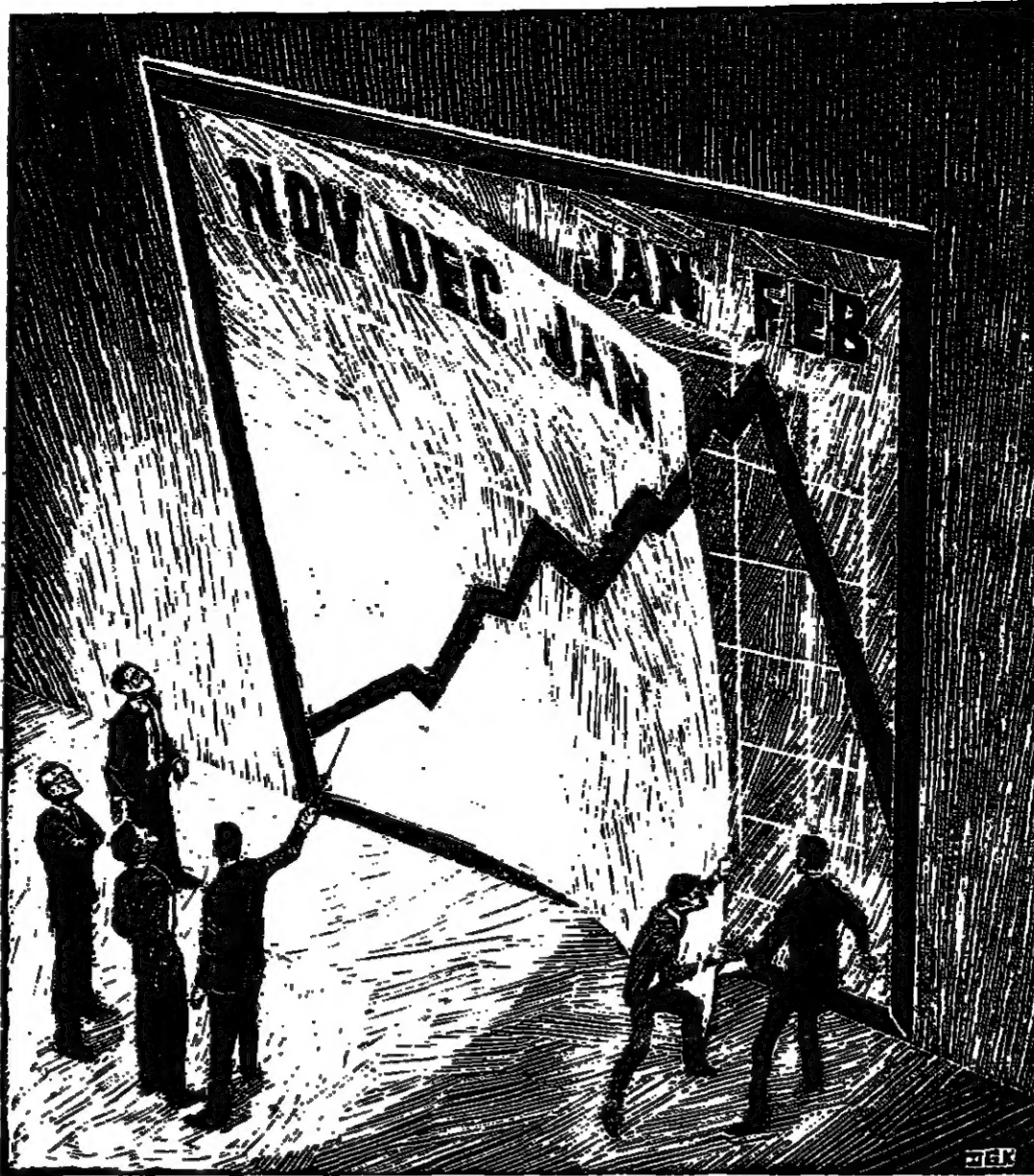


accept tax increases even if he can't get all the spending reductions he wants. A tax increase to reduce the deficit, Mr. Feldstein argued, is preferable to the risk of damaging the recovery in 1985 and beyond.

But other advisers, including Treasury Secretary Donald T. Regan, as well as the President himself have said they want spending cuts before tax increases, which probably means that a tax increase contingent on such spending reductions is about as far as the President will go. It's generally agreed that Congress and the President won't settle in for any hard bargaining until after the elections unless economic recovery stalls. December's overall unemployment figures, released last week, looked decidedly upbeat. The Government said the jobless rate had fallen from 8.3 percent to 8.1 percent in December. In the preceding year, total employment climbed by nearly four million, a strong performance.

—JONATHAN FUERBRINGER

Thayer, Under Inquiry, Resigned Last Week



'Insider' Stock Deals Rise And So Do Federal Suits

By ROBERT D. HERSHEY Jr.

WASHINGTON — The resignation last week of Paul Thayer as Deputy Secretary of Defense was a further embarrassment to an Administration that has suffered repeatedly from the misadventures of senior officials in the stock market and the business world.

Many of the charges, including those that Mr. Thayer illegally supplied stock tips to friends, involve activity that took place before he joined the Government, but the effect is nevertheless to give political ammunition to the Democrats.

J. Lynn Helms, the Administrator of the Federal Aviation Administration, recently quit amid reports of grand jury investigations into whether he and an associate had siphoned assets from small companies they bought. In another case, Thomas C. Reed, a national security consultant on the White House staff, left after accusations that he had made a profit of more than \$427,000 in the securities of Amex Incorporated as a result of secret information.

Last week's Securities and Exchange Commission complaint against Mr. Thayer laid out a pattern of trades by Mr. Thayer's friends, suggesting they made \$1.9 million in illegal stock market profits mainly because of secret information he had supplied as chairman of the board of the LTV Corporation and a director of four other companies. Although Mr. Thayer was not said to have directly benefited, the commission's complaint against him and the eight other defendants represents one of the biggest cases of so-called insider trading ever brought.

Forms of insider trading, the buying or selling of securities on the basis of material information that has not been made public, have been practiced throughout history. Much of the Rothschild fortune was made when the banking family was first to learn of Napoleon's defeat at the Waterloo. Samuel Cunard, the shipping magnate, is said to have watched New York harbor from Grymes Hill, in Staten Island, to aid in speculations in the commodity market.

The distinction between legitimate intelligence gathering and illegal insider trading is some-

times murky. But serious attacks on the practice in American securities markets are a fairly recent phenomenon. Most of the landmark cases, involving the stock of the Texas Gulf Sulphur Company, the Equity Funding Corporation and others, date from the early 1960's.

It is generally believed nowadays that such activity is always to be condemned. Illegal insider trading undermines confidence in the securities markets, contracts the premise of full disclosure upon which regulation is built and may actually jeopardize acquisitions and mergers tied to particular market prices.

"It is virtually impossible to justify a case of hard-core abuse," declared Harvey L. Pitt, a Washington lawyer who was formerly general counsel of the S.E.C. Corporate officials, he and others say, gain corporate information only in their capacity as servants of shareholders. Divulging it improperly means that an executive is using company information against its owners.

But there is a minority that maintains that there is nothing wrong with insider trading. They say that it is a "victimless" crime since those selling their stock in ignorance of, say, an impending merger showed they were willing to sell it anyway. Some also say that insider trading may contribute to a more efficiently priced market and can be regarded as a proper perquisite of executives who thereby are further encouraged to perform well on behalf of all stockholders.

The S.E.C., however, has become far more aggressive in bringing insider cases in recent years, particularly under the Reagan Administration. From seven cases each in 1978 and 1979 the count has risen to 13 in 1981, 29 in 1982 and 24 last year. Suits can be either civil or criminal, but very few cases have been thought egregious enough to warrant criminal prosecution. Specialists say they can recall only two or three times in which someone convicted of illegal insider trading has gone to jail.

More Options

Apart from the stated intention of S.E.C. chairman John S. R. Shad to step up enforcement of insider trading laws — the commission has also proposed a bill to require illegally obtained insider profits to be treble repaid — there may also be an increase in the number of violations taking place. Some think this reflects increased merger activity in recent years while others declare flatly that the biggest factor is the emergence of public markets in options. By buying options someone with insider information can greatly magnify his profits.

The literature has become highly complex as the courts have been called on to weigh various types of behavior. Distinctions have been drawn between those who supply information and those who receive it. The courts have also sought to define the duties of third parties, such as accountants, lawyers or financial printers who happen to be made privy to nonpublic information.

Although the S.E.C. may appear to have made a strong case against Mr. Thayer and the other defendants, securities lawyers say the commission must establish many points to make it stick: did he disclose the information, was it deliberate, was it a breach of fiduciary duty, did it bestow a monetary benefit on the people who received the tips, did they trade with knowledge they were benefiting from a violation of the law?

A recent Supreme Court decision appears to have made this harder by saying in the case of Raymond Dirks, the securities analyst who cracked the Equity Funding computer fraud, that Mr. Dirks had no general duty to disclose his information before advising clients to sell.

In any event, insider trading, which for so many years "just wasn't regarded as a mortal sin," according to Wallace L. Timmerly, a former S.E.C. enforcer, seems to be on the rise. But so are the efforts to combat it.

Critics Say the New Posture Bodes Ill for Blacks and Women

Commission Intends to Reassess Rights

By ROBERT PEAR

WASHINGTON — When new members of the United States Commission on Civil Rights say they will be "independent," the word has a special meaning.

They mean that they will be independent of President Reagan and the White House, as their predecessors were. But they say emphatically that they will also be independent of the civil rights community and its doctrines, which over the last 30 years have gradually shaped the nation's civil rights law, gaining acceptance from most liberal Democrats and many Republicans.

"The independence issue has been a strange one," said Clarence M. Pendleton Jr., the black Republican whom Mr. Reagan reappointed as chairman of the commission. "If you don't think as the civil rights groups think, it's not independent."

"There has been an active civil rights lobby favoring a special interest position," said Mr. Pendleton, a former president of the Urban League of San Diego. "But these groups, which contend that the civil rights agenda is theirs from cradle to grave, are not the authentic spokesmen for minorities today."

New Faces, New Views

The new commission was created last year after a long struggle between the White House and Congress over President Reagan's attempt to dismiss his critics on the old commission. Republicans in the White House spent countless hours lobbying for the appointment of three Democrats whose views they considered more compatible with the President's.

Mr. Reagan appointed four of the eight commissioners, and a fifth, selected by the House Republican leader, was originally a Reagan nominee. In view of that, Phyllis F. McClure of the NAACP Legal Defense and Educational Fund Inc. said: "I expect a 180-degree switch on every major position that the old commission took on such issues as affirmative action, school desegregation and the nondiscrimination obligations of Federal aid recipients. I even anticipate a redefinition of what a civil rights issue is and what the legal precedents are."

John H. Bunzel, one of the Democrats appointed by Mr. Reagan, said there would indeed be "a reassessment of past policies, approaches and viewpoints." But he said that a reassessment of affirmative action was not equivalent to a retreat from civil rights. He said he was willing to



The New York Times/George Thomas, Paul Heston/Associated Press. Clarence M. Pendleton Jr., Linda Chavez (center) and Mary Frances Berry.

support compensatory programs for "disadvantaged minorities" if they did not involve quotas.

Linda Chavez, the new staff director, also appointed by Mr. Reagan, laid the groundwork for a reassessment last week when she proposed

major program changes emphasizing possible adverse effects of affirmative action, racial quotas, bilingual education and busing as means of school desegregation.

Like Republicans who suddenly found themselves in control of the Senate in 1981, Mr. Pendleton and his allies on the commission are not accustomed to being in the majority. They must now do something with their power if the agency is to become more than a political sideshow or debating society.

Even though the commission has yet to hold its first meeting, the majority has clearly articulated its premises: The purpose of the civil rights laws is to guarantee equality of opportunity, not equality of results. The commission should confine itself to civil rights and should not stray into economic issues involving the distribution of income or social benefits. Disparities in income, employment, education and housing may exist for many reasons other than discrimination. One of the ultimate goals of civil rights policy is to attain a color-blind society, so the Government should not adopt race-conscious remedies to cure past discrimination.

Mary Frances Berry and Blandina Cardenas Ramirez, two holdovers on the commission, have made it clear that they will resist efforts to reverse longstanding policies. Clearly outnumbered, they have begun to raise procedural questions, suggesting that the new policies would not be valid if the commission took shortcuts to arrive at preordained conclusions. Miss Berry said, "I foresee a complete abandonment of the commission's normal fact-finding procedures for balanced hearings, consultations and data collection, which are required by law."

Few Certainties

In addition, Miss Berry said she believed there would be "a very insidious effort to divide minorities and women from each other by pretending that the civil rights laws were designed to benefit blacks, without acknowledging that affirmative action also benefits women, most of whom are white."

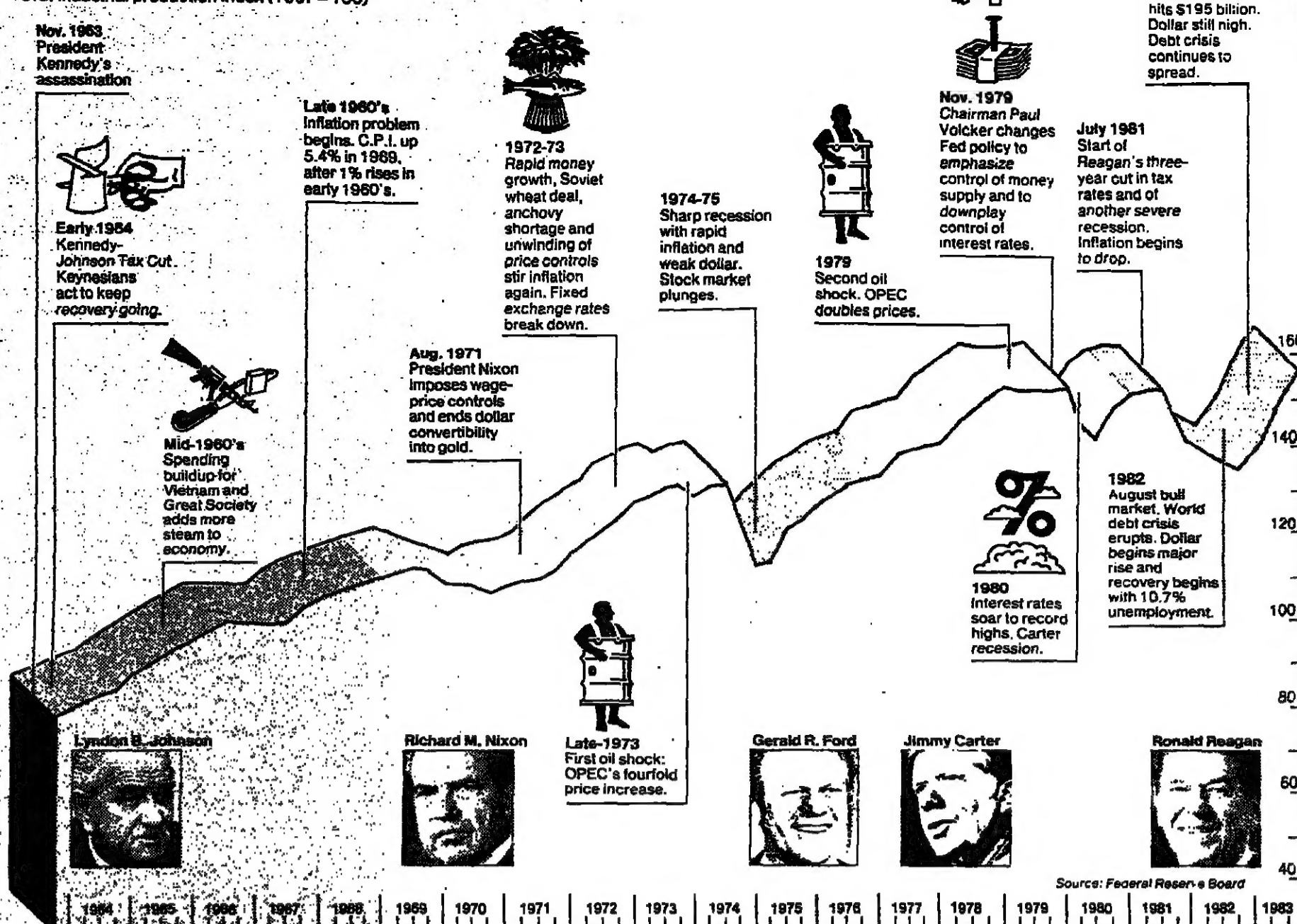
The only certainty is that there will be more debate and disagreement on the new commission than on the old one. The personal chemistry of the eight commission members is impossible to predict. Mr. Pendleton said they may become sharply polarized, though he wants to avoid such conflict. Mr. Bunzel says, "I don't want to see this become a war zone." And he expresses a hope that the debate over civil rights will, at the least, remain civil.

Handwritten signature: J. P. [unclear]

Recovering From the Era of Shocks

Two Decades: The American Economic Experience

U.S. industrial production index (1967=100)



If the U.S. learns from the grim past, stable growth could lie ahead for years.

By LEONARD SILK

THE two decades after World War II have been called a "golden age" of growth and stability for the United States and the rest of the industrial world. "In the 'Golden Age' of the 1950's and 1960's," said Angus Maddison, a British economist, "economic growth in the advanced capitalist countries surpassed virtually all historical records."

But, starting in the late 1960's, the United States economy was battered by a series of economic and political shocks that turned the golden age into an age of tin. First came President Johnson's "guns and butter" policy that bred inflation during the Vietnam war; then came President Nixon's surprise of Aug. 15, 1971, when he suspended convertibility of the dollar into gold, imposed wage-price controls and embarked on a highly stimulative fiscal and monetary policy. International financial chaos and the end of the Bretton Woods monetary system of fixed exchange rates hit the world economy in 1973, and the OPEC nations twice in that decade tipped the world into economic shock with monumental increases in oil prices.

As the United States economy careened from one shock to the next, inflation soared, productivity foundered, real growth slowed, several deep recessions battered industry and unemployment rose to the highest rates since the Great Depression. Internationally, mountains of debt, spawned by the explosion in oil prices, threatened to produce a world banking crisis.

But with the dawning of 1983, the darkness began to lift. The United States swung into a strong recovery, spurring weaker recoveries in other industrial countries. And now, a year later, some economists have begun to speculate that the nation—with inflation still low, unemployment high and industrial capacity ample—may even have an opportunity once again for a sustained period of economic growth reminiscent of the early sixties.

The Reagan Administration, facing an election race next year, has eagerly embraced that prospect. Its budget for the fiscal year 1985 and projections through 1989 are based on the President's belief that the nation has entered a long period of steady economic growth (4 percent a year during the second half of the decade), subdued inflation (3.5 percent measured by the deflator in 1980), lower interest rates (a 5 percent Treasury bill rate by then), and reduced unemployment (5 percent in 1989).

But has the United States truly entered into a post-shock era of economic calm? Or will 1983 and 1984 turn out to be a brief interlude of growth, the prelude to another unsettling economic shock?

There is a great deal of skepticism among economists and businessmen about the dawning of a new era. Most expect 1984 to be a good year but are worried—primarily by the huge size of the expected Federal deficit—about what lies beyond the election year. A recent poll of 627 managers of financial institutions by A. G. Becker Paribas Inc., an investment bank, found that fewer than 8 percent expect depression or hyperinflation in 1984. But 30 percent expect a depression and 36 percent expect hyperinflation before 10 years have passed.

There is a dissenting view, however, and not just at the White House. It is held by those who think that enough can be learned from studying the events and disappointments of the past two decades of economic history to mark a better course for the future.

One of the nation's most powerful economists, Paul A. Volcker, chairman of the Federal Reserve Board, asserted this view at last month's meeting of the American Economic Association in San Francisco. The United States, he said, may be able to reverse the experience of the 1970's and demonstrate that "an economy that seemed to be going downhill, with one adverse shock begetting another, can go up as well."

"I do not share," he said, "the doubts and skepticism—indeed the deep cynicism of some—about our capacity as a nation to learn from bitter experience and draw practical lessons for the future."

He saw an "enormous opportunity" to set in train a long period of growth and greater stability, but stressed that his "happy vision" would not come about if the nation sat back and simply hoped the "recent good news would produce a lasting momentum of its own."

There are new and unprecedented risks to sustaining progress, Mr. Volcker warned: the enormous budget deficits that loom ahead, the international debt problem, the gaping and still growing imbalance in the

United States' international accounts, the strong forces of protectionism, and "not least," he said, "the temptation to return to behavior patterns bred in the years of inflation."

But he thought the threats could be met if the nation would act upon the lessons of the bitter past.

Even the skeptics might agree to that proposition. But what are the key lessons from history? Although economists and others may differ in degree about what these might be, there appears to be general agreement on a few key points:

PRESIDENTS must make the tough decisions on how to use limited national resources while there is time, not subordinate those decisions to immediate political advantage.

Inflation was kicked off in this country during the Vietnam War when President Johnson, with the economy approaching full employment, delayed, for political reasons, the difficult choice among three possible policies: raising taxes, cutting his Great Society programs or curbing military spending. And President Nixon gravely aggravated inflation a few years later with his New Economic Policy of Aug. 15, 1971, simultaneously launching a highly stimulative fiscal and monetary policy, clamping on wage and price controls, suspending the convertibility of the dollar into gold and embargoing sales of certain American agricultural products. When the controls were lifted after his electoral victory in 1972, the suppressed inflation burst forth.

There is a broad consensus among economists that President Reagan is taking undue risks of imposing inflationary strains on resources by his huge budget deficits, stretching, as David A. Stockman, director of the Office of Management and Budget, has put it, "as far as the eye can see."

Most of the President's own economic advisers, especially Martin S. Feldstein, chairman of the Council of Economic Advisers, fear a situation like Vietnam revisited—with military spending rising, taxes falling and the budget deficit widening. They believe, as do most economists, that with the economy in a recovery it is vital to bring down the deficit. Treasury Secretary Donald T. Regan, who believes the President should defer the tax issue until after the election, has laid out a list of options for Mr. Regan to consider, if the President decides to increase revenues to reduce the fiscal year 1975 deficit from its expected \$180 billion level.

The Economy

THE United States must pay more heed to the international economy in setting its domestic economic policies.

President Nixon, ignoring this rule, slammed the gold window shut to prevent the further outflow of United States gold and make it possible for him to pursue a highly stimulative economic and monetary policy. That move set off waves in the world economy that accelerated inflation and eventually ended the Bretton Woods system of fixed exchange rates. Mr. Maddison, the economist, blames the "messy" collapse of Bretton Woods and the resultant system of floating exchange rates as a major cause of the breakdown of the golden age of growth and the unleashing of stagflation in the seventies.

Mr. Volcker, in his address to the economists' convention last month, stressed that the need to close the budget gap and bring down interest rates was "pressing" for international reasons. The level of dollar interest rates, forced upward by the deficits, he said, "plainly aggravates the strains on the international financial system—strains apparent in the heavy debt burdens of many developing countries and in the persistent and growing flow of capital into the United States, with its counterpart of a widening trade deficit." Mr. Volcker said he did not share the comfortable assumption of some that working for better budget balance could wait a year or more.

C. Fred Bergsten, a former Assistant Secretary of the Treasury, warns that high interest rates and the huge American trade deficit—now threatening to reach \$120 billion in 1984—could bring on a deluge of protectionism and wreck the world trading system as other countries retaliated. Foreign governments blame high American interest rates for holding down the European recovery and for draining the financial resources of developing countries like Brazil, Argentina and Nigeria almost to the breaking point.

But untangling this skein could itself be tricky. Geoffrey Bell, a leading international monetary expert and former British Treasury official, fears that at some stage the process of a strengthening dollar "will certainly be reversed and then the fall of the dollar could be very dramatic." That, however, could deal a new shock to the monetary system.

TIGHT monetary policy must be used with great caution.

There is no doubt any longer about the potency of monetary policy in checking inflation. But, in the process of squeezing inflation down over the past few years, tight money policy has taken an enormous toll in lost production, jobs, investment and growth.

There is still a school of economic thought, led by Professor Emeritus Milton Friedman of the University of Chicago, that insists monetary policy should be properly applied by a simple rule: The money supply be increased year by year—or, if possible, month by month or day by day—at a rate consistent with the national growth of productivity. Following the rule, says Professor Friedman, will permit inflation-free growth over time—though it will not necessarily rid the economy of cyclical fluctuations in production, income and employment.

Since the fall of 1979, Mr. Volcker has experimented with what he calls "practical monetarism," heeding Professor Friedman's call for more attention to gradual growth of the money supply and less to the level of interest rates. But when tight money produced the recessions of 1980 and 1981-82, Mr. Volcker swung to much more rapid rates of monetary expansion than sanctioned by the Fed's "target ranges" and paid more heed to interest rates. Thereby, discretionary monetary policy was used as a powerful tool for getting the economy out of deep slumps. All but the most orthodox monetarists have cheered the moves.

THIS is just the top of the list of lessons to be learned from the past. Economists who share Paul Volcker's "happy vision" would argue that for the first time in almost two decades the United States and the rest of the world have at least a chance, however small, to profit from the harsh experiences of the late 60's and 70's and enter a period of stable and lasting growth.

Inflation, for the time being, has been battered down, unemployment is still relatively high, much industrial capacity is idle and after a rough run of recessions, American corporations have cut costs and improved profitability. Not since the Kennedy Administration in 1961 inherited an economy that had been through back-to-back recessions has there been such an opportunity for noninflationary growth.

Still, there is no simple formula provided by history to prevent the nation from being blindsided again by another shock—or a series of them.

Moreover, even if economists fully agreed on the lessons to be gleaned from the troubled past, it does not follow that politicians would join in the agreement or enforce its prescriptions. Inevitably it is they, not their economic advisers, who will call the shots—or the shocks.

WEEK IN BUSINESS

Thayer Resigns to Fight S.E.C. Suit

Paul Thayer, Deputy Secretary of Defense, resigned his post one day before the S.E.C. filed an insider trading suit against him and eight other defendants. The former chairman of the LTV Corporation was charged with disclosing inside information about profits, dividends and takeover attempts by LTV, the Allied Corporation and Amheiser-Busch to two of the defendants—a woman with whom he had a "private, personal relationship" and a broker with the Dallas office of A.G. Edwards & Sons. The S.E.C. charged that the two in turn passed the information on to the other defendants. In all, the group is charged with making some \$1.9 million in stock trading profits. However, the suit did not charge Mr. Thayer with any monetary gain from the stock tips. Mr. Thayer called the charges "entirely without merit" but said he had decided to resign so that he could devote all his time to his defense and could save the Reagan Administration political embarrassment.



Paul Thayer

The Franklin Computer Company settled out of court a highly publicized legal battle with the Apple Computer Company, agreeing to pay Apple \$2.5 million and to halt all sales of a computer operating system that Franklin admitted was a copy of the Apple system. The lawsuit filed by Apple was at the heart of a battle to determine whether a computer company could

get copyright protection on the software instructions that are built into the permanent memory chip of its computer. A Philadelphia court first ruled in favor of Franklin in 1982, but four months ago the Federal Court of Appeals ruled in Apple's favor.

The consumer spending spree continued through the end of December, giving retailers one of their best

Christmas seasons in years. The nation's largest merchandisers reported double-digit gains, as Sears sales rose 17.5 percent over 1982. K Mart had an 11.3 percent increase and J.C. Penney a 12.5 percent gain. And a spot check of New York City retailers showed a 12.9 percent increase in consumer spending for December.

Pension funds, banks and other institutional investors began 1984 with a buying spree of their own. After a quiet Tuesday, stock market activity roared ahead, with institutions leading the way. A record 180 million Big Board shares exchanged hands on Thursday and the furious trading continued through Friday. For the week, the Dow Jones industrial average rose 28 points, closing at 1,286.64, just shy of its record. A modest decline in interest rates was one explanation of the market's rise. On Friday, the Federal Reserve announced that M-1, the basic measure of the money supply, had fallen \$600 million in the most recent financial week. The decline could ease interest rates another notch on Monday.

The economy ended the year by adding 335,000 new jobs to the workforce and reducing unemployment to 8.1 percent in December from 8.3 percent in November. That compared with a postwar peak of 10.8 percent in December 1982.

Getty-Go-Round. Pennzoil's chairman, J. Hugh Liedtke, thought he had a firm deal. Joining forces with Gordon P. Getty, who controls 40.2 percent of Getty Oil stock through the Sarah Getty Trust, the two had agreed to a \$5.4 billion buyout of Getty, worth \$112.50 a share to stockholders. Pennzoil would put up \$2.6 billion for a 42.9 percent ownership, while the trust would have 57.1 percent. Mr. Getty would have been chairman and Mr. Liedtke, president. But on Friday Texaco, the oil giant, offered \$125 a share, or \$10 billion—the largest corporate takeover bid in history. The Getty board, including Gordon Getty, unanimously accepted. Mr. Liedtke says he'll sue; the Justice Department says it will investigate.

The auto industry ended 1983 with a shout of joy as the Big Three auto makers reported a 21.7 percent increase in sales for the year's last 10-day period. For all of 1983, auto sales, including imports, totaled 9.16 million cars, up 15.1 percent from 1982. It was the best year since 1979. The Big Three saw their sales jump 17.9 percent, to 6.79 million cars, from the 1982 level. Moreover, the industry could earn record profits—as high as \$7 billion for 1983—according to analysts' projections. And that could grow to \$10 billion in profits in 1984.

The New York Stock Exchange				
MOST ACTIVE STOCKS WEEK ENDED JANUARY 6, 1984				
Company	Sales	Last	Net Chg	
ATT	14,268,200	19 1/2	+ 1 1/4	
ATT	11,613,400	66 1/2	+ 3	
Merly	8,894,800	35 1/2	+ 3	
Tandy	5,178,400	39 1/2	- 4 1/2	
IBM	4,948,700	123 1/2	+ 1 1/2	
Waste	4,092,100	38 1/2	- 7 1/2	
RCA	3,878,600	36 1/2	+ 1 1/2	
AMT	3,867,000	25 1/2	+ 1 1/2	
A Exp	3,759,200	33 1/2	+ 1	
Unocal	3,590,800	34 1/2	+ 2 1/2	
Best P	3,536,800	14 1/2	- 3 1/2	
Chrysl	3,480,600	29 1/2	+ 1 1/2	
Gulf Oil	3,479,000	46 1/2	+ 3 1/2	
G Mot	3,280,800	78 1/2	+ 4	
K mart	3,274,600	33 1/2	+ 1/2	
Standard & Poor's				
Company	Sales	Last	Net Chg	
400 Indust	190.6	184.2	190.6	+4.40
20 Transp	31.7	30.7	31.7	+0.52
40 Util	63.3	66.0	63.3	+3.10
40 Financial	18.8	17.9	18.8	+0.72
500 Stocks	169.3	163.9	169.2	+4.35
Dow Jones				
Company	Sales	Last	Net Chg	
30 Indust	1293.6	1246.5	1298.5	+26.00
20 Transp	617.1	599.5	611.7	+13.20
15 Util	135.4	130.3	134.2	+2.98
65 Comb	517.0	487.5	514.0	+1.10
The American Stock Exchange				
MOST ACTIVE STOCKS WEEK ENDED JAN. 6, 1984				
Company	Sales	Last	Net Chg	
Vrbm	2,132,300	16	-	1
Wang	1,597,100	38 1/2	+ 1 1/2	
Cyprus	1,118,500	3 1/2	+ 1 1/2	
Corel	1,075,600	32 1/2	+ 5 1/2	
InstSy	773,800	3 1/2	+ 3 1/2	
TIE	516,000	28 1/2	+ 1 1/2	
DorGas	458,800	21	+ 1/2	
EchoB	414,200	7	- 1/2	
DeMed	399,200	10 1/2	+ 1 1/2	
DomeP	393,700	3-5/16	-1/16	
MARKET DIARY				
Advances	Declines	Total Issues	New Highs	New Lows
1,678	388	2,227	193	36
1,212	767	2,231	101	125
VOLUME (4 P.M. New York Close)				
Company	Last Week	Prev. Week	Year To Date	
Total Sales	48,926,712	481,926,712		
WEEK'S MARKET AVERAGES				
High	Low	Last Change		
Indust	113.9	110.6	+2.62	
Transp	100.0	97.2	+1.95	
Util	48.1	46.3	+1.90	
Finance	97.7	93.7	+3.46	
Composite	97.7	94.6	+2.53	
New York Stock Exchange				
Company	Last Week	Prev. Week	Year To Date	
Total Sales	32,297,915	32,297,915		
Same Per. 1983	51,939,975	51,939,975		
MARKET DIARY				
Advances	Declines	Total Issues	New Highs	New Lows
630	184	909	47	8
383	392	921	27	47
VOLUME (4 P.M. New York Close)				
Company	Last Week	Prev. Week	Year To Date	
Total Sales	32,297,915	32,297,915		
Same Per. 1983	51,939,975	51,939,975		

The New York Times

Founded in 1851

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Breaking the Medicare Taboo

Whatever the merits of Walter Mondale's plan for rescuing Medicare from bankruptcy, he deserves credit for declaring it "a major issue in the 1984 campaign." The \$60 billion program of health insurance for the elderly has been setting off fiscal alarms for nearly a year but most political leaders averted their eyes.

President Reagan apparently hoped to get through 1984 with half-measures that could risk the quality of care for older Americans. The Mondale challenge sets the stage for a much-needed exercise in public education.

About \$47 billion of Medicare's budget, supplied by Social Security taxes, goes to hospitals. About \$15 billion, paid by patients and the Federal Treasury, goes to doctors. Those Treasury payments are increasing much faster than general tax receipts, and the hospital fund is likely to be drained by 1990.

The main fiscal problem is that medicine has become more elaborate and expensive each year — and keeps people alive longer. Also, the proportion of younger people paying payroll taxes is shrinking. And hospitals and doctors whose bills are routinely reimbursed by insurance plans face insufficient pressure to hold down costs.

President Reagan's most serious proposal is to substantially increase a hospital patient's own cost for the first 60 days but to guarantee covered care

for a catastrophically long illness. This would tax many of the elderly, and so perhaps reduce their care, while greatly benefiting a few.

Mr. Mondale's plan would set health care spending targets for each state and let states decide how to meet them, under threat of Federal intervention if they fail. The plan sounds promising, but can't really be judged until ongoing state and Federal cost-control experiments are assessed. Forced reductions risk massive red tape and could put some hospitals out of business or encourage them to reject "expensive" patients who can't pay more than the fixed insurance reimbursement.

It's hardly clear that either plan will suffice to rescue Medicare. Mr. Mondale says his would — saving \$15 billion a year by 1989. But no one can be sure at this stage.

There are ideas enough to propel the debate along. Insurers like Blue Cross and companies with big health benefit plans are looking at ways to force down hospital costs. And economists are groping for acceptable ways to increase Medicare's revenues. By one analysis, it could be bailed out through a combination of cost controls and a 2 percent surcharge on the taxable income of Medicare patients — an average annual payment of \$170 that would not impose an unmanageable burden on the poor.

Good for Mr. Mondale for breaking the taboo that was threatening to keep such politically sensitive ideas out of the campaign.

The President in the Classroom

President Reagan wants to restore "good, old-fashioned discipline" in the nation's schools. Fine: It's an important issue and it's good to hear the President sound an alarm. But in the process, Mr. Reagan distorts his education priorities and wrongly inflates what should be a matter of quintessential local concern. What is the man who wants to get national government off local backs doing with the ruler in his hand?

The sometimes terrifying violence that afflicted some schools in the 60's and early 70's has waned. Still, discipline is a serious problem that teachers cite as one of their main concerns. The widely desired excellence in education can't flourish unless troublemakers are kept from disrupting the education of the majority.

But Mr. Reagan's approach fails in two respects: how to alleviate the problem, and who should be responsible. Getting tough with troublemakers sounds good — and misses at least half the point. What the Reagan Administration has done so far makes the other half worse.

Out-of-school suspension and expulsion should be reserved for students guilty of crimes, including violence. For lesser offenses, it is far preferable to find disciplinary measures that keep troublemaking

students in school. It will not discipline a youngster to push him into a world of almost certain unemployment and crime.

Many in-school efforts succeed. These stress parental involvement and counseling for chronically disruptive students. Many in-school programs have suffered, however, because of Reagan budget cuts. The Emergency School Aid Act provided some help for such programs, but it disappeared in 1981 into a black grant funded at only 85 percent of the previous level. The Administration would also eliminate the Juvenile Justice Delinquency Prevention program, helping junior high schools. Such efforts should be encouraged, not abandoned.

The Administration has been particularly myopic about minority-group children. They are twice as likely as whites to be victimized by school crime, but they are also twice as likely to be suspended from school. Where is the concern for black youth unemployment and other consequences?

Other measures that can restore discipline, like reducing class size or hiring more guidance counselors, are costly. But when it comes to education, Mr. Reagan is generous only with words. School discipline is mainly for school districts and parents to solve. They need help, not more moralism.

Chasing the Taxi Monopoly

Governor Cuomo's signature makes it official: New York City's Taxi and Limousine Commission now has authority to impose on "gypsy" cabs the same standards it sets for medallion yellow taxis. That's the first step — but by no means the last — toward decent cab service throughout the city.

Finding a cab in midtown at rush hour is hard because so many taxis are answering radio calls. Hailing a taxi outside the central business district is hard at any time because cabbies find Manhattan more profitable. Residents of the outer boroughs must therefore make do with illegal (and often unsafe and uninsured) gypsy cabs.

The simplest remedy would be to follow the example of Washington, D.C., which lets anyone start a taxi service if they meet minimum safety and insurance standards. But in New York, that would wipe out the scarcity value of about \$50,000 of each of 12,000 taxi licenses (called "medallions"). Neither Mayor Koch nor the City Council has found the courage to tackle the legal and political issues raised by this monopoly.

The Mayor proposes instead to create an additional class of regulated taxis that would be allowed to answer street hails in the outer boroughs and north of 98th Street in Manhattan. The theory is that these new "green-stripe" taxis would meet the needs of the least served areas of the city, and also make more medallion cabs available downtown.

The green-stripe remedy might work, but only if the city has enough authority to police the standard to be set for the new fleet. The now-signed law lets the Taxi Commission wield that authority by seizing cars in violation. But authority isn't worth much without the personnel to find the rule-breakers. It is up to the City Council to triple the commission's enforcement staff, at an annual cost of several million dollars.

The Mayor, quite reasonably, wants to pay that cost by raising fees on the taxi industry. The industry is mobilizing its considerable political power to block him. It will soon be clear whether the Council owes more to the city's long-suffering taxi riders than it does to medallion owners.

Letters

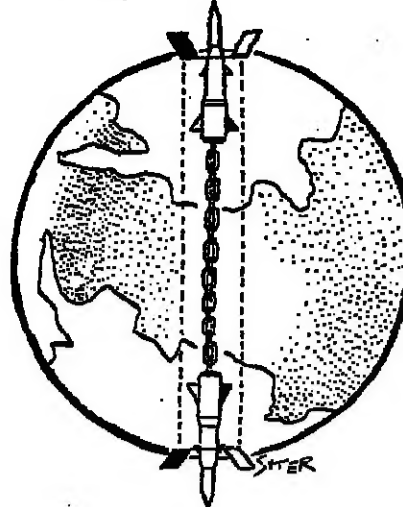
The Importance of an Uneasy Nuclear Balance

To the Editor:

"Deterrence Hardly Deters," an article by Sidney Lens on your Dec. 25 Op-Ed page, contains so many logical and factual flaws that it cannot be ignored, though in other circumstances it might serve as a kind of black comic relief.

All but 10, he says, of the 1,587 arms races between 600 B.C. and A.D. 1960 have ended in war. So what? He might just as well have said that all 1,577 periods of warfare ended in peace. Unless one can demonstrate a causal connection between arms races and war, such "evidence" is, to say the least, unhelpful. And if there is such a connection, perhaps we ought to focus on the 10 arms races that did not end in war. They might provide some useful lessons.

Mr. Lens, evidently oblivious to the completely different meanings of the word before World War II and after, suggests that "deterrence" failed in 1839. There was no arms race in the 1930's — or rather when Britain and France began to rearm the race was all but over. One could more sensibly



argue that, had the democracies engaged Nazi Germany in a serious arms race, then even Mr. Lens's conception of "deterrence" might — indeed probably would — have worked.

The plain fact remains that even since 1960, despite large-scale conventional conflict and innumerable crises

and contingency plans, no power has resorted to the use of nuclear weapons. That may be because, as even Mr. Lens suggests, the nuclear arms race is "uneasy." Its uniqueness lies, however, in precisely the equation that Mr. Lens feels is bound to become unbalanced: neither side can "see its way clear to a 'win' scenario."

Short of some diplomatic or political miracle (for which we should all be praying), the only way to maintain that frustrating, uncomfortable but workable equilibrium is to continue the arms race so that "win scenarios" remain unattainable. Ending the arms race without that miracle, or slowing it down for one side only, leads to an unstable situation that might well end in nuclear war, however morally satisfying it might be.

Nuclear deterrence has not, as Mr. Lens says, kept us from war. But let us not make his foolish logical leap. Nuclear deterrence is not intended to prevent war; it is intended to prevent nuclear war. And that it has effectively done. It is, of course, impossible to prove a negative. Nor is it possible to guarantee absolute security, even in a non-nuclear world. But to argue as Mr. Lens does is to do violence to history, and to move from the realm of sensible and useful argument to a metaphysical never-never land.

Mr. Lens ends with an argument that is plausible and attractive to Americans: "The abolition of nuclear weapons today would be no more unrealistic than the abolition of slavery in the last century."

While slavery may have been excoriated from the United States (to our credit and moral comfort), does Mr. Lens really think it has been abolished in the world? And even in the United States, abolition came about as a result of what we can no longer afford: a gigantic war.

Nuclear weapons are a global problem; the solution to that problem is not nearly as simple as Mr. Lens suggests. In the meantime, we had best work to maintain the uneasy balance in place today. Before 1914 there was a balance without terror, before 1939 a terror without balance. Perhaps for now, however uncomfortable it may seem, we have got the equation right.

DENNIS S. KLINGE
Associate Professor of History
Norwich University
Northfield, Vt., Dec. 27, 1983

On Telling the Real Karen Silkwood's Story

To the Editor:

In trying to draw the boundaries for movies based on real events, your Dec. 25 editorial about "Silkwood" clouds the distinction between documentary, which you uncontroversially state to be a medium of journalism, and "docudrama," which you castigate for breaking the rules of reporting.

You state that by using real names the film purports to be a documentary account. And then, as though suddenly aware of the trouble you are getting into, you attempt a distinction of your own, between films about "contemporary" events and films about "historical events," allowing the latter "certain accepted licenses to fit the material into a play or film."

You assert that contemporary events like the death of Karen Silkwood (1974) "are not history, though they may become so." You do not tell us when this interesting metamorphosis might occur, but your solution for the present would be to change the names and offer the film as fiction, a

surprising recommendation that plays into the hands of films (and books) that make hay with contemporary events behind a legalistic hedge that is there to be seen through.

Interestingly, "Silkwood" nowhere makes an assertion as confident and as unsupported as your own single contribution to specifics, that the quality-control photographs of the fuel rods had been touched up to conceal dust spots, not defects.

This letter, however, is not to argue that point or to make others about the many disquieting circumstances surrounding Karen Silkwood's death. It was the manner of her life that marked her out, for history as well as for journalism. A documentary would be one way to show why this was so. "Silkwood," a film with actors and dialogue, is another, and your initial compliments for the film as drama are gratefully received.

MIKE NICHOLS
New York, Dec. 28, 1983
The writer is the director of "Silkwood."

Our Dollar in Need Of Losing Weight

To the Editor:

Your editorial "Suicide by Subsidy" (Dec. 28) makes the valid point that export subsidies reduce global productivity. Taking various forms, they prompt countries to export goods in which they don't have a comparative advantage.

The form mentioned in your editorial is subsidized financing. A more pervasive form is an undervalued exchange rate, defined as the rate of one country's currency against another's currency that's less than the ratio of the one country's prices against the other's prices.

The mirror image of a country's undervalued rate is a trading partner's overvalued rate. While the former acts as an export subsidy, the latter acts as an import subsidy. Since the dollar is 15 to 20 percent overvalued, the United States is affording its imports that amount of subsidy.

A part of the huge U.S. trade deficit is attributable to that subsidy. A part of the problems of the U.S. steel, textile and auto industries, among others, is attributable to it.

Insofar as the overvalued dollar results from private capital inflow here, a means of down-valuing the dollar consists in official capital outflow through U.S. intervention in dollar exchange markets. It consists also in capital inflow controls — an evil, to be sure, but less so than the consequences to which an overvalued dollar leads.

Another way to down-value the dollar is to depress the high level of U.S. interest rates that are attracting the private capital inflow. But this will take time, during which the trade-distorting, productivity-reducing effect of an overvalued dollar will continue to be exerted.

SAUL R. SROLE
Silver Spring, Md., Dec. 29, 1983

To Heal a Mental Ill

To the Editor:

While few would disagree with the title of Toby Cohen's Dec. 31 Op-Ed article ("Equal Care For All With Insurance"), many might with its content, for despite her assertion to the contrary, there is no simple correlation between years of experience as a psychiatrist (or psychologist), frequency of treatment, fee charged and effectiveness of treatment.

Healing in psychotherapy derives from a complex interplay of factors not amenable to such simplistic formulations as four psychotherapy sessions weekly necessarily providing more effective treatment than two; or a clinician with 20 years' experience being invariably more effective than one with five years' experience.

The current disgrace in mental health insurance is the fact that many patients' coverage does not provide adequate reimbursement for even one psychotherapy session weekly as against those fortunate few with the extraordinary coverage (85 percent reimbursement for 180 sessions a year) that Toby Cohen describes.

STANLEY GOLDSTEIN
Rumington, L.I., Dec. 31, 1983
The writer is a clinical psychologist.

A German 'Iceberg's' Misunderstood Tip

To the Editor:

As a regular reader of the German press, I feel that Ambassador Burns's Op-Ed article on anti-Americanism in Germany (Dec. 27) shows a misunderstanding of the situation.

What many of us see as anti-Americanism in Germany is only the misunderstood tip of a far more important iceberg — the tremendous growth of a sort of pacifistic brand of German nationalism over the last year or two. This embraces a very broad spectrum of the population in both West and East Germany, not just a few intellectuals; rejection of Western values has nothing to do with it.

Instead, there is a new interest in reunification and in possible ways of ending the domination of Germany by the U.S. and the U.S.S.R., which many Germans see as liable to blunder into a nuclear war that will be fought in their country and destroy it.

The nationalists are perfectly aware of the difference between democracy and Communism — hence the growing feeling that the eastern part of the country must not be left

under Soviet rule any longer. They understand that they will never be able to free East Germany without dealing with the U.S.S.R., but a willingness to call with a totalitarian state in one's national interest in no way implies that one has forgotten that it is totalitarian.

In view of the potential importance of this new nationalism, and of the great amount of attention that the German press has recently given to it, I am puzzled and disturbed that the American news media have either ignored it or reported only peripheral aspects of it, such as the rocket protests or the anti-Americanism of a few intellectuals. Nothing is more vital than understanding between the two greatest nations of the West.

A good place to begin would be to realize that German resentment of totalitarian rule in the East and of American tutelage (however benign) in the West is both natural and inevitable, and that there is nothing inherently antidemocratic or naive about it.

JEFFREY DEBOO
Berkeley, Calif., Dec. 27, 1983

Family-Life Education, New Jersey Style

To the Editor:

Parental consent and involvement in the design of family life/sex education programs in public schools enhance their implementation and acceptance, as your editorial "Sex, Luck and the Facts of Life" (Dec. 13) suggests. At least that is the New Jersey experience.

Almost all of New Jersey's one million public school children are receiving instruction in locally designed programs that stress four separate areas of study: interpersonal relations, human reproduction and human sexuality, responsible personal behavior and building strong families.

In 1980, the New Jersey State Board of Education passed an administrative regulation requiring family-life education for all public school children at the elementary and secondary school levels. The regulation accorded the parents and guardians of these children substantive rights:

- The right to representation as a group on the community curriculum development committee that makes recommendations to the local school board.
- The right to receive an outline of the course for the grade of their child.

- The right to read the entire curriculum at the local district office.
- The right to remove the child, by the use of a simple excusal form, from any portion of the course that conflicts in any way with closely held moral or religious views, without any penalty to the child.

This final right was supported through passage of a state law: The Parents' Right to Conscience Act.

Curriculum for family-life education has been developed, district by district, by educators in consultation with parents, clergy, doctors, older students and youth leaders of the local community.

Because of these assurances for parents and the board's willingness to support parents as co-partners with schools in providing children with information in this area of study, there was little resistance when the regulation went into effect this fall. Only a tiny fraction of parents are choosing to remove their children from the courses.

SUSAN WILSON
ROBERTA KNOWLTON
Princeton, N.J., Dec. 21, 1983

The writers are, respectively, chairperson and executive coordinator of the New Jersey Network for Family Life Education.

Topics

Coming to Life

Quads and Virgin Birth

Myths often conceal discomforting realities. The pleasant tale of Adam's rib contradicts the harsh truth that men are deficient versions of the basic gender, shorter in lifespan and lacking in that little bit of chromosome by which a Y differs from an X.

There are few things that more deeply unsettle the male psyche than the nuptial arrangements of the black widow spider. Her consort is a mere appendage whom she often mistakes for a fly. More disturbing still is the stick insect, which can propagate for generations with no male help at all.

Parthenogenesis, or virgin birth, is sometimes claimed but not generally recognized as a mode of human reproduction. Yet as reproduction surrenders its mysteries, the specter of a world where men are redundant edges steadily closer.

Test-tube babies were the first step.

Fertilization in glassware has become familiar. And now the birth in Australia last week of the world's first test-tube quadruplets is a startling new step down the road of production-line reproduction.

Next, someone will learn how to make human egg cells develop parthenogenetically. Women will gain the power to produce like termite queens. The politically savvy among them will surely decide there's little need for soldiers or drones. They'll turn their new fecundity to producing masses of little worker-sisters instead.

Of course the doctor in Australia didn't mean to evoke this awesome new world. He inserted four fertilized eggs into his patient's womb to insure that one grew to term, and was surprised that all four did. But his miscalculation is the kind to shake male confidence in the future.

Hard-Bitten

Some young archeologists in California think that, through chemical analysis of fossil bones, they can figure out what early man ate. It's an appealing prospect. If right, they could end years of debate over the place of diet in evolution. Even so, we hope they don't try to prove too much.

Think what some similar researchers might one day conclude about us. Finding PCB's in our fossil remains, they will conclude that homo americanus subsisted largely on plastic? Will they be able to detect that some of us devoted ourselves to sushi? Chocolate? Will they be able to distinguish between eaters of croissants, pita and bagels?

All may turn on whether the bones they stumble upon are those of someone whose diet was salt-free, meat-free, sugar-free or cholesterol-free.

They'll get the chemistry right, but they'll probably miss the flavor.

WASHINGTON — The Kremlin appears to be in no mood to make a serious effort to accommodate the United States.

Many Americans find it tempting to blame the Reagan Administration for the erosion of the superpowers' relations. The President and his top advisers have surely engaged in some unnecessary and reckless provocations. Yet the Kremlin's defiant attitude cannot be explained solely by Mr. Reagan's actions. There are profound political and psychological reasons — many of them totally unconnected with anything the United States has done or said — why the Soviet establishment is ill-prepared to seek a genuine thaw.

The nasty mood in Moscow is rooted in a general climate of ex-

Dimitri K. Simas is a senior associate at the Carnegie Endowment for International Peace.

Blame Moscow, Too

By Dimitri K. Simas

extreme anxiety and anger. That climate favors heavy-handed posturing both at home and abroad, and the United States serves as a convenient villain, deflecting the resentful disillusionment of the Soviet people.

At the end of Leonid I. Brezhnev's rule, the Soviet establishment had even less to cheer about. But there was hope then that the gloomy state of affairs wouldn't last long. It was thought that new leadership would reverse many trends unfavorable to the Kremlin, that new blood at the top would mean new policies and new life for the aging Soviet system. This hope is now gone.

Shortly after Yuri V. Andropov be-

came the General Secretary, a Soviet official who is an old friend of mine managed to send me a letter. He was full of enthusiasm. The new Soviet leader was sophisticated, decisive, even humane. He would understand the need to restructure the economy. His ascension to power would open unique opportunities to improve the American-Soviet relationship. It was important for the United States not to miss the chance, my friend advised.

My friend is no wishy-washy liberal. He insisted that the Russian people lacked a sense of responsibility and therefore needed the whip of harsh discipline. He was also proud of Moscow's superpower status and

argued that it was crucial for the Soviet Union to cut Ronald Reagan down to size.

Yet this official and many others like him were aware that a whip alone would not be enough to resolve the complex domestic problems of an industrial society. In foreign policy, they realized that constant displays of arrogant heavy-handedness could do more harm than good. Many such people in the second level of Soviet leadership expected that the Government's emphasis on tough internal discipline would be coupled with far-reaching decentralization of the economy. They anticipated that standing up to the American challenge would be accompanied by an imaginative international strategy designed first to outmaneuver Mr. Reagan and then to bring him to the bargaining table on terms favorable to Moscow.

This optimism was clearly misplaced. The modest economic experiments planned for this year will not make up for the lack of fundamental reform. In foreign affairs, Moscow is facing stalemate all around: The war in Afghanistan continues; negotiations with China are stalled; in the Middle East, despite all their aid to Syria, the Russians have little leverage over Damascus. Nor have Soviet designs to split America from Western Europe met with success. The Communist political machinery is once again failing to deliver — and the Soviet elite is well aware of it.

Significantly, the Russians no longer claim that an international "correlation of forces" is changing in their favor. On occasion they even admit that the decline in the Soviet Union's international appeal is rooted in doubts about the Soviet model of economic development. It is this sense of vulnerability mixed with anger that colors the Soviet response to the Reagan Administration.

At this moment of transition, then, the Soviet Union represents neither a terrible danger nor an exciting diplomatic opportunity for the United States. The Soviet ruling group feels overextended and unappreciated by the rest of the world. Facing the United States eyeball-to-eyeball is the last thing on the Kremlin's mind, unless escalation and miscalculation pushes it further into a corner. Nor, however, does the Soviet leadership seem committed to seeking a peaceful engagement with Washington. From Moscow's point of view, the best way to deal with the United States today is stonewalling rather than accommodation.

Secretary of State George P. Shultz and Soviet Foreign Minister Andrei A. Gromyko are expected to talk in Stockholm on Jan. 18. They may even politely smile at each other for the sake of diplomacy and the benefit of worried West Europeans. But diplomatic handshakes do not mean reconciliation — just as diplomatic chill does not mean war.

is not a policy that endears us to friends and neighbors.

During the past year, problems such as these became so pervasive that the Committee on Rules asked two former Senators to make recommendations for a more responsible method of doing the people's business. James Pearson and Abraham D. Ribicoff consulted and cogitated and came up with a report that contained 18 major recommendations to reform Senate procedures. Among them were several that addressed the inefficient and ineffective budget process, including recommendations to institute a two-year budget process, combat nongermane amendments to appropriations bills and enhance the prospects for adequate and timely debate on spending measures. To date, none of them has been debated, much less adopted.

Members of Congress have been existing so long in the web of their own contriving that they have had no time for thought about how to escape from the trap. They need help and the only source of help is the American people. Voters must tell their Senators and Representatives to slow down and get back to basics. The Pearson-Ribicoff Report deserves serious consideration. Without that, the Congress will continue to do those things it ought not to have done and to leave undone those things it ought to have done. The American people deserve better.

gress cleared an end-of-the-session omnibus stopgap spending bill. By its very nature, such a measure is a hastily drafted document that defies detailed study. As adopted by the Senate in November, this particular resolution contained 62 printed pages and as finally enacted, bestrides 140 sections. It was therefore not infrequently heard a dismayed member confess: "I did not know that was in the bill."

These are some of the things we ought not to have done.

Among those things that we ought to have done, raising taxes looms very large. Instead, we raised the debt limit to \$1.49 trillion and planned to send it over \$2 trillion in the next several years. The economic arguments for early action on the Federal deficit are well-known but some of the collateral problems developing are not. One consequence is the concurrent trade deficit. High interest and hard dollars make it difficult to export and easy to import. American business and labor cry for relief. The root cause is ignored while Band-Aids of protectionist legislation are applied, risking global retaliation.

There is also the impact of the deficit on foreign policy. The servicing of the debt will devour 80 percent to 100 percent of Americans' savings and so our economy looks for other nourishment. To get it we suck the savings of other nations into the American system and starve them of the capital needed to rekindle their recovery. It

Congress Sins; Citizens, Guide It

By Charles McC. Mathias

WASHINGTON — In the words of the Episcopal "Book of Common Prayer," "we have left undone those things which we ought to have done; and we have done those things which we ought not to have done." Whether or not that makes the members of Congress Episcopalians, it should at least make them thoughtful.

Take, for instance, the subject of spending money. The way in which Congress spends other people's money is well-established. First, it determines whether a project is necessary and desirable. This is the authorization. Then it determines how much should be spent. This is the appropriation. The rubric forbids us to appropriate one cent without authority.

Yet what has happened in the first session of the 98th Congress? In many cases, authorizations were not enacted, yet Congress went ahead and appropriated funds anyway; in others, authorizations painstakingly enacted were simply ignored when Congress considered appropriations.

Let us take just one example which Representative Neil Smith, Democrat of Iowa, called to the attention of members of the House on Nov. 16 in connection with a major appropriations bill for fiscal 1984: "What we have here today," Mr. Smith said, "is a bill with \$7.383 billion in unauthorized programs out of a total of \$10.5 billion." In other words, three-quarters of the money in that appropriations bill was unauthorized. The agencies receiving appropriations in that bill included such important activities as most of the Department of Commerce, the Federal Trade Commission and all of the Department of State.

One device that lends itself to dubious practices is known as the continuing appropriations resolution. An emergency response to Congress's failure to enact appropriations on time, a continuing resolution is difficult for Congress to vote against and for Presidents to veto and, therefore, offers members a tempting opportunity to attack last-minute legislative proposals that have not received thorough consideration. This winter, two days after several Government departments ran out of money, Con-

Charles McC. Mathias is Republican Senator from Maryland.



WASHINGTON

Reagan's Appointees

By James Reston

WASHINGTON, Jan. 7 — President Reagan has his own personal style of government. He points the way on television, defines his destination without a map, and leaves the driving to others.

It's not a bad system, probably better than the presumption of some of his predecessors, who pretended they could do everything by themselves. But it depends on the people he chooses, or allows others to choose, to do the driving.

And on this fundamental use of appointive power, President Reagan has been indifferent, if not careless, and not even fair to himself. The result is that he is constantly being surprised when his appointees get in trouble and are forced, for one reason or another, to resign.

The latest example is Paul Thayer, the Deputy Secretary of Defense, who checked out 24 hours before the Securities and Exchange Commission charged that he had leaked inside financial information to his friends before he was appointed to the key job of administering the finances of the Pentagon.

Who chose Mr. Thayer, and who screened and passed him when he was already under investigation? The President doesn't say, and may not even know, but one thing we do know: When his appointees get in trouble, Mr. Reagan defends them almost to the end, but then shows them out the door with a wave and a smile and a letter of sad gratitude for their service.

This is what he did with Secretary of State Alexander Haig, Secretary of the Interior James Watt and Environmental Protection Agency Administrator Anne Burford, among others. He sympathizes and is kindly to them if they fail, even if they fail carrying out his policies, but if they embarrass him, he edges them out the door, and is so gentle with them that they don't slam it when they leave. This is one of his many personal gifts. The trouble is that he is so casual about his appointive power.

The Republican Party has the allegiance of most of the legal and business leaders of the nation, but Mr. Reagan has not really tapped this vast source of talent. Instead, he has chosen many of his key White House staff and even members of his Cabinet from the narrow scope of his California friends.

It's hard to remember when any President had so many friends in key positions. Mr. Reagan's Secretary of State, Secretary of Defense, Secre-

eral, the United States overseas propaganda director, and also key White House officials, with the exception of James Baker, are all acquaintances, if not all cronies.

Considering what he might have done with his power to appoint the best servants of the nation, from even within his own party, let alone the "partnership" he is always talking about with the Democrats — his record is a disappointment.

His ambassadorial appointments at a time of critical foreign puzzles, with a few exceptions, are socially acceptable but professionally ineffective and often an embarrassment.

To deal with the controversies over Social Security, nuclear missiles and Central America, he has had to reach out to private citizens he rejected as members of his Administration.

You have to give him credit. When he's struck, he switches. Unlike most politicians, he doesn't choke on his own

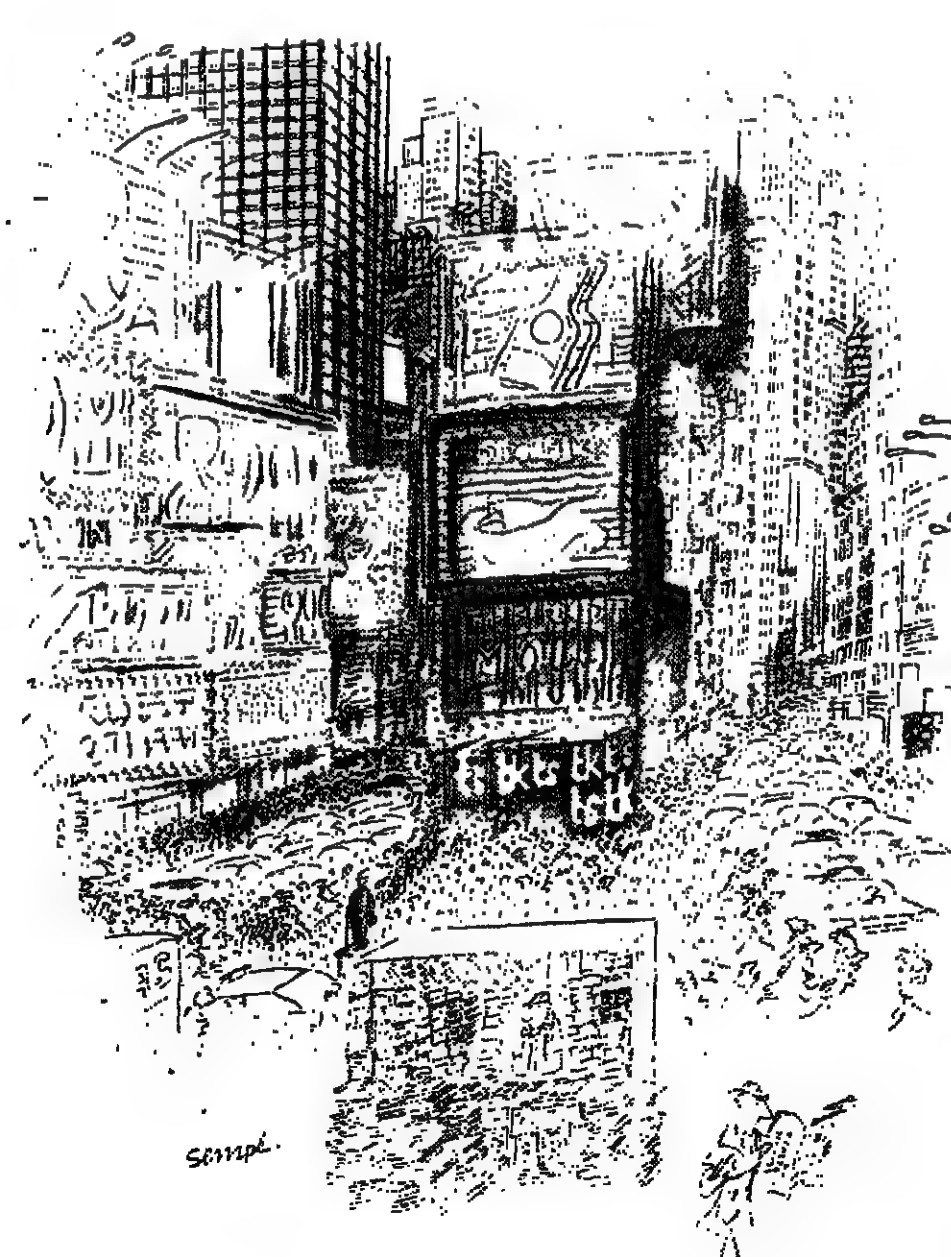
Chosen from the narrow scope of his friends

baloney. He compromises as he did on the gas pipeline and on nuclear weapons, and will undoubtedly do on his proposal that next year's defense budget be raised by another 17 percent.

But while he talks amiably about a "partnership" with the Democrats on foreign and domestic policy, he keeps his appointive power to himself and his conservative philosophy, and this may be one of the most important considerations of the coming Presidential election.

For given the age and frailty of the members of the present Supreme Court of the United States, the President who is elected this November will likely be obliged to nominate four or five new justices who will determine the supreme law of the land probably until the end of the century, long after all the present candidates for the Presidency are gone.

Accordingly, it's interesting what Ronald Reagan, Fritz Mondale and Jesse Jackson are saying. But what they might do, particularly whom they might appoint to the Cabinet, the White House staff and especially the Supreme Court, may make all the difference in the rest of the 80's and even to the lives of our children between now and the end of the century.



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These times demand The Times.

The New York Times

ESSAY

The German Problem

By William Safire

Lambsdorff regime; now a new scheme is in the works, put forward by Chancellor Helmut Kohl, that is even more morally demeaning.

The West Germans have decided to go into the merchant-of-death business in a big way, with their prime customer Saudi Arabia. Mr. Kohl visited Riyadh a couple of months ago, and a Saudi delegation followed up with a shopping tour of German plants with familiar names like Messerschmitt-Blohm and Siemens.

Israeli sources, rightly concerned about a new generation of German weapons that would likely be used to kill Jews, say that the planned purchases include Tornado aircraft, advanced Leopard tanks, Roland II surface-to-air mobile missile systems with target-tracking radar, Gepard antiaircraft cannon and the Marder armed personnel carrier, especially effective for quick strikes by small detachments.

Because German law limits arms exports to "regions of tension," the Kohl Government, with businesslike geopolitical strategy, considers the Arabian peninsula to be outside the region of tension. Of course, in every Arab-Israeli war to date, the Saudis have been belligerents; in any future conflict, these new Saudi panzer divi-

sions, probably driven by Palestinians or hired hands from East Germany, would be sent to Jordan or Syria for use against Israel in what King Fahd still refers to as the "jihad," or "holy war."

Curiously, the prospect of supplying German means of exterminating Jews to a nation in a state of war with Israel does not overly trouble the West German "peace movement"; no demonstrations protesting this sale to the jihad by the sons and daughters of the genocide generation have been organized in front of defense plants. Guilt is evidently not as important as gelt.

Chancellor Kohl will travel to Israel in a couple of weeks to assure Prime Minister Shamir that the Leopard tanks are "defensive" weapons. He will point to the precedent of American AWacs sales and join Mr. Reagan in hailing the glories of evenhandedness. He will probably reassert his devotion to a "special relationship" between the German people and the survivors of Nazi terror, adding the German equivalent of "sorry, Yitzak — business is business."

West Germany, in its economic bind, seeks markets in the Soviet East and the Arab world; by so doing, it lowers its moral position and panders to the weakeners of its will, causing its allies to reassess the credibility of Bonn's commitments.

"The German Problem" is not merely the concern of the other nations in NATO; it is the loss of spirit afflicting today's Germans.

Semi-correction: The C.I.A. takes exception to my assertion that it routinely records telephone calls, pointing to Sec. 2.4 of Mr. Reagan's Executive Order 12333 not authorizing "monitoring devices." If this is true, not even the C.I.A. considers it permissible to tape callers the way the director of the U.S.I.A. has been doing.

'El Norte': On Screen and in Reality, a Story of Struggle

By ANNETTE INSDORF

In order to get films made about Latin America, you have to have Americans in the center of the story," lamented Gregory Nava, the director of "El Norte." "I have nothing against 'Missing' or 'Under Fire,' but it bothers me that all the major characters are American and you don't get to know the people to whom things are really happening down there."

Consequently, he and his producer-wife, Anna Thomas, worked outside the Hollywood structure in making their movie "El Norte." In it, Americans are peripheral to the action, and the United States is a foreign and exotic locale—traditional land of promise rather than the center and the point of reference.

This drama—a kind of cross between "The Grapes of Wrath" and the rich textures of Gabriel Garcia Marquez's tales—focuses on two oppressed but hopeful Guatemalan Indians who flee to the United States.

Moving from tableaux of Mayan village life to the seedy hovels of Tijuana, to Southern California's exhilarating, confusing and often dehumanizing possibilities for illegal immigrants, "El Norte" is like three stories in one.

It tells the story of Rosa (Zaide Silvia Gutierrez) and her brother Enrique (David Villalpando); after losing their parents in military raids, they leave Guatemala for the freedom they think they will find "up north." In Tijuana, they must pretend to be Mexicans in order to find a coyote (someone to take them across the border). And once in California, they "adjust"—to loss as well as success.

But making a film which had a feeling of authenticity about the locale and Guatemalan characters turned out to be an experience fraught with difficulties. The filmmakers encountered adventures almost as harrowing as those experienced by their characters but emerged unscathed and with a film that has already earned acclaim.

The origins of "El Norte" can be traced to the director's own childhood: "I'm from San Diego, but I come from a border family," ex-



Zaide Silvia Gutierrez, at far left, and David Villalpando, at center, play brother and sister who flee Guatemala after their father's death and make their way to the United States in "El Norte."

plained the 34-year-old filmmaker during a recent trip to New York. "I have relatives in Tijuana. As a kid, I crossed the border several times a week, often wondering who lived in all those cardboard shacks on the Mexican side."

As he got older, Mr. Nava realized that "the border is unique—the only place in the world where an industrialized first-world nation shares the border with a third-world country. In California, it's just a fence; on one side are the Tijuana slums, on the other side—San Diego. It's so graphic! This was the germ of the story."

While films about explosive situations in Latin America are often criticized for being dogmatically ideological, the filmmakers insisted that "El Norte" is not a political film but "a

human drama, a journey through cultural layerings," in Mr. Nava's words. Mr. Nava and Miss Thomas were attracted to the Mayan Indians of Guatemala because of their rootedness to the land, their striking and well-preserved traditions and their growing number of refugees.

Whereas the original protagonists were to have been Mexican, making Guatemalan Indians the focus of "El Norte" enabled Mr. Nava to correct a pervasive misunderstanding: "So much attention is given to ancient pre-Columbian cultures—the ruins which suggest the end of a civilization—that people's understanding ends with archeology," he said. "But there are millions of people who still dress that way and follow those customs. The Indians are still there, but they're now the victims of a tremendous

onslaught in Guatemala and Mexico. And in Brazil, every time a new section of the Amazon is cleared out, some untouched tribe is wiped out."

The makers of "El Norte" learned about these matters from years of research, much of it conducted among exiles in California. According to Mr. Nava, "There are hundreds of thousands of refugees from Central America in Los Angeles alone. Nobody knows the exact number, but a recent TV inquiry estimated 300,000-400,000. In our own research, we came across a community of Mayans from Guatemala—5,000 from one village—now in Los Angeles. The original village, which is now dead, had 15,000. That happens to a lot of places: The village is rubbed out. I was very moved by these people who had been so tied to their land and I felt this is where the story should start."

Miss Thomas interjected, "Any issue would be better served by an involving and dramatic story than a lecture: Nobody goes to movies to hear a lecture. We didn't want 'El Norte' to look like a docu-drama, or

have any stylistic elements that would remind people of journalism or 'rough-around-the-edges' documentary. The style we aimed for is the dream realism that comes from the Mayan culture." For Mr. Nava, "The Mayans' dress, language, mythology and religion are very strong—a fertile field from which their magical culture comes."

Miss Thomas and Mr. Nava began their career and their relationship in film school at U.C.L.A. and have been married eight years. "We like to work together, but always in different ways," Miss Thomas said. On their two previous and critically-acclaimed independent features, responsibilities varied: For "The Confessions of Aman," a medieval tale, Mr. Nava produced and directed while his wife co-wrote the screenplay; "The Haunting of M." shot in Scotland, was produced, directed and written by Miss Thomas, with her husband as cinematographer.

They spent two years trying to raise money for "El Norte" but did not, in her words, "pursue studios and TV networks actively—because we knew that much of what makes 'El Norte' right and wonderful would have to be changed if made in a studio situation."

For example, Mr. Nava pointed out that language was an issue: "This particular film cannot be all in English because the point is the lack of understanding when Rosa and Enrique come to the States. And what has been the accepted way for them to speak in films? Broken English with an accent that makes them seem stupid—when in fact they speak their own language fluently. I love the variations of the Spanish language—between how Guatemalans, Mexicans and Chicanos speak."

Another point of contention in Hollywood was that the leading parts should be cast with American stars: "It was suggested that 'El Norte' could be made with Brooke Shields and Robby Benson, or someone like that," Miss Thomas recalled with a hearty laugh, "but I didn't find that

appropriate." The director threw up his hands and said, "the whole point of the film is to make people understand someone coming from another culture."

"The next line of thought," he continued, "was to add an American part for a known name—like 'let's make the border guard more important.' But he's not the story! These ideas were unacceptable to me, so we put the script aside and started working on another project." In the interim, however, Lindsay Law of PBS's American Playhouse series had seen a copy of the "El Norte" screenplay. He said yes.

"After so many no's, it was a shock," Mr. Nava admitted. "We had to guarantee the production of the film in order to keep control," he said, "which means you either deliver a finished product or give back all the money. Once American Playhouse put up approximately half the funds, it was relatively easy to get the rest."

Most of the actors selected for "El Norte" were Mexican, including the two young leads, and many smaller parts were taken by Guatemalan nonactors. The choice of location and visual style was hardly typical for a low-budget film. According to Miss Thomas, "Usually people choose between an exotic location and highly sophisticated technique, including lighting. We felt we had to have both the real location and a 35 millimeter crew in that location."

They could not film in Guatemala and therefore shot mostly in Chiapas—the southernmost state of Mexico which borders Guatemala—where the crew of "El Norte" came up against extraordinary obstacles. "In its landscape, culture and social problems, Chiapas is like Guatemala—it's ready to blow," Mr. Nava observed. "Our Mexican crew warned us against going there and they turned out to be right."

Annette Insdorf, an associate professor at Columbia and Yale, is the author of "Indelible Shadows: Film and the Holocaust."

In Hollywood, the Marriage of Studios and Stars Is Back

By ALJEAN HARMETZ

LOS ANGELES In 1938, Metro-Goldwyn-Mayer had 120 actors and actresses under contract, including Clark Gable, Greta Garbo, Robert Benchley, Dame May Whitty, Judy Garland, and Freddie Bartholomew. Nearly a hundred writers and directors were under contract to M-G-M that year, too. And 1938 was hardly a peak year during the golden era of the Hollywood studio system.

The power that the studios command is hardly what it used to be. But during the last six months, an interesting thing has happened: Three comedians who are also motion picture stars—Richard Pryor, Eddie Murphy and Michael Keaton—have been tied to almost exclusive long-term contracts, something reminiscent of—though very different from—the glory days of the movie studios 40 years ago.

The faded photograph that best captures that era came at the very end, published in Life magazine on Feb. 28, 1949. To celebrate its 25th birthday, M-G-M had assembled 58 of its stars—from Ethel Barrymore and Ava Gardner to Fred Astaire, Katharine Hepburn, and Frank Sinatra. "More stars than there are in heaven" was the studio's motto, and M-G-M intended to make 67 movies during the next 15 months.

It didn't happen. By the early 1950's the studios had collapsed under two almost simultaneous blows—television and a Justice Department decree forcing them to sell their theaters. Television brought free entertainment into everyone's living room. Without their own theaters, studios no longer had an automatic way of getting money back on all the movies they made, even the stinkers.

Although the movie industry has often yearned publicly for the old days—Francis Coppola, for example, bought a nine-acre studio in the heart of Hollywood a few years ago in order to re-create the old system, and every decade Universal has announced a "new talent" contract program—the studio system, with its old authoritarianism, has stubbornly remained as dead as the dodo bird and passenger pigeon that it followed into oblivion. Mr. Coppola's Zoetrope, which put four promising actors under long-term contract, is bankrupt; and somehow the new talent programs, which tried to do the same thing with beginning actors, never worked.

But last May, in what could be a more successful variation, Columbia entered into a five-year arrangement worth some \$40 million with Richard Pryor, who is considered to be one of today's top three stars in terms of drawing audiences into movie theaters. In June, Paramount offered Eddie Murphy, the 22-year-old star of

the surprise box-office hit "48 Hrs.," roughly \$15 million plus a large percentage of the revenues of his films in return for making his next five movies at that studio. And just a few weeks ago 20th Century-Fox signed Michael Keaton, who is given most of the credit for turning last summer's "Mr. Mom" into a commercial success, to a contract which guarantees that four of his next five films will be made at Fox.

Robert Cort, production vice-president at 20th Century-Fox, said he thought a few such exclusive arrangements would be healthy for both the actor and the studio. He quickly added, "We don't make enough pictures today to keep large numbers of actors under contract."

In 1939, for example, M-G-M made 41 movies. In 1982, M-G-M made 11 movies and, in addition, released "Inchon" and "The Beastmaster," movies made elsewhere. In 1983, Fox only made eight movies of its own and released an additional 10 movies made by independent.

"We spend enormous amounts of time trying to set up projects, trying to make deals," Mr. Cort said. "It's in the studio's best interest and the actor's best interest to have a home together. It's like getting married: takes away a lot of the time spent dating. And when you get married, you have a chance of building something over the long haul."

Mr. Keaton, too, used the imagery of marriage. "When it was first brought up," the actor said, "I wasn't sure I wanted to do it. I'm not crazy about confinement, so I was in a hurry to get into that kind of marriage. I have enough trouble figuring out the one marriage I'm already in."

Mr. Keaton said he made up his mind to accept after he was assured he would have "creative input" into his movies and might possibly be allowed to direct one of them.

Michael Eisner, president of Paramount Pictures, said of his studio's arrangement with Eddie Murphy, "If you had asked me a year ago if I would ever have made such an arrangement, I would have said 'Never!' But when we saw the results of '48 Hrs.' and the rushes on his next film, 'Trading Places,' we said, 'Wouldn't it be great to have him exclusive?' Now anyone who wants to make a picture with Eddie Murphy has to come to Paramount and make their movie here."

"It won't be a trend because I don't think there are enough of those versatile talents around to make many such deals," said Guy McElwaine, president of Columbia Pictures.

Among dramatic actors. Right now, we're casting a role for a new science-fiction movie, "The Enemy Mind." Kurt Russell, Dennis Quaid, Michael Douglas, Ed Harris, Mandy Patinkin, Tom Berenger, Kevin Kline, Eric Roberts, Peter Weller and Treat Williams could all play it. For a dramatic role, if you don't get actor A, you can easily convince yourself you can make the movie with actor B. But it's not so easy to find someone who can play leading man comedy."

Just as Paramount decided to forge exclusive links with Mr. Murphy after seeing bits and pieces of "Trading Places," Fox decided on Mr. Keaton after viewing an incomplete rough cut of "Johnny Dangers," a spoof of gangster films scheduled for release later this year.

In recent years, such actor-writer-directors as Mel Brooks and Woody Allen have made exclusive arrangements with a single studio. Mr. Brooks with Fox and Mr. Allen with the executives who ran United Artists and who now own Orion. In addition, some actors have tended simply to stay at a studio where they have a comfortable relationship with the people in charge. For example, Clint Eastwood has made all but one of his movies over the last 12 years at Warner Bros., but he has no formal arrangement with the studio.

The exclusive deals with Mr. Pryor, Mr. Murphy, and Mr. Keaton differ in important ways from the days when actors were indentured to a studio under a seven-year contract.

In those days, even the biggest stars were expected to do what they were told. During the 1930's, Bette Davis and James Cagney were constantly suspended without pay by Warner Bros. for refusing roles. In 1936, Miss Davis spent \$30,000 testing the contract system in court and lost. Until 1944, if an actor or actress was suspended, the months he or she spent on the sidelines were added to the contract, so a seven-year contract could be stretched to eight or, occasionally, nine years.

In 1943, when Olive de Havilland's contract was up, Warner Bros. attempted to tack on the six months she had been suspended. After an 18-month legal battle, Miss de Havilland won.

As a rather typical way of disciplining an unruly star, L. B. Mayer punished Clark Gable in 1934 by loaning him to a poverty row studio, Columbia. In that case the punishment backfired. The movie Gable was forced to make, "It Happened One Night," won him an Academy Award as best actor. When an actor was loaned out, it was the studio, not the actor, who got the extra money.

Nobody is about to loan out Mr. Pryor, Mr. Murphy or Mr. Keaton without his permission. Indeed, Columbia, Paramount and Fox have enticed the three comedians by also providing a home for their personal managers and production companies.

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DAVID BEN-GURION had a dream: settling one million Jews in the Negev Desert. Now, 10 years after Ben-Gurion's death — and despite the great technological strides that have been made — the desert is home to only seven percent of Israel's population. Why did the dream go wrong?

In 1950, Beersheba had only 8,300 inhabitants. A year later, the first development town in Israel, Yeroham, established 35 kilometers to the south-east. By 1965, when Beersheba's population had grown to 65,200, Yeroham had managed to attract just 6,500 souls, all of them new immigrants and most of them poor and unskilled.

While Beersheba's population has since doubled, Yeroham is fighting hard to keep its 1965 population level.

Other development towns followed Yeroham, but only one — Dimona — managed to become viable in its own right.

For the most part, the industry that was located in these towns relied heavily on government subsidies: as one such industrialist put it, "I am the pressured pioneer *halahutz halahutz*."

Meanwhile, the self-image of the townspeople was low and deteriorating. They were isolated from the mainstream of Israeli society by more than distance — they had a different culture, spoke a different language. And they were totally dependent on government assistance.

Before long, the dependence had become an addiction: "They are dependent on government institutions," says Leah Shamir-Hinani, who is completing her doctorate on the suitability of industries in non-metropolitan communities. This is the way they were created and this is the way they are ruled."

VEN ARAD, a planner's paradise as it was designed to avoid the mistakes of Yeroham and that boasts a highest per capita income in Israel today, is facing problems on the eve of its third decade. "I am pessimistic," says Arad, mayor Avraham Shohat, who contentedly receives the largest majority of any local government anywhere in the country. He has the support, but he knows that does not have the government's support.

Shohat points out that since 1977, a number of housing units built in a entire Negev region, including Beersheba, has steadily and astically declined. For 1984, he

THE DREAM THAT FAILED

The Jerusalem Post's Liora Moriel investigates the failure of Ben-Gurion's plan to settle a million Jews in the Negev

says, only 250 such units are on the drawing boards.

"The Negev is facing a disaster in terms of population growth. Many settlements will be destroyed. The only solution is to bring sophisticated industry to the area and give it a priority status once again."

The figures bear him out. There has been a steady decline in population in most of the Negev's towns. Apart from Arad, which has managed to attract a fair number of Yamit evacuees, natural growth is more than offset by people leaving for the big cities.

Alignment MK Jacques Amir, until recently the mayor of Dimona, has gone so far as to propose a "Negev Law," which would involve massive government intervention. Making the Negev as attractive to investors as Judea and Samaria, it is argued, will result in a boom.

Such a boom was expected in the wake of the IDF's redeployment in the region following the pullback from Sinai, but it failed to materialize.

BUT IS THIS realistic? Is government action the only obstacle to the Negev's development?

At a workshop on "Transfer of Technology" in Tel Aviv this month (which was organized as a part of the sixth world conference of engineers and architects), some of Israel's leading industrialists gave honest and uniform answers to the question: why does industry not set up branches in the Negev?

They pointed out that Israel's developing areas do not have their own markets, and therefore setting up branches in such areas would serve to compete for the same market with the parent company, thus jeopardizing profits.

Also, there is not enough trained personnel in these towns. The highly skilled engineers and the expert technical staff needed for modern enterprises simply do not abound in the peripheral areas. The only solution lies "on the national, social and educational level" — again, government intervention.

Communications constitute a major snag: the roads to the Negev are



few and already crowded with slow-moving trucks; there is no public telephone system (there is not even a machine in the Beersheba post office, and the sole telex operator in the Beersheba Chamber of Commerce is already overburdened.) The telephone network is not very reliable and getting a telephone installed is no easier than it is anywhere else in the country.

THE ONLY body capable of starting the development ball rolling is the government. But even the government is not a uniform monolith; and there is a regrettable lack of coordination between the government ministries.

Thus, an architect has just won a project sponsored by the Energy Ministry for housing units in Mitzpe Ramon, while hundreds of new flats — many of which are very attractive — are already waiting for buyers.

This is no secret. Haim Kubersky, director of the Interior Ministry and head of the National Council for Planning and Building, told the conference delegates in Tel Aviv that while there is integrated and highly sophisticated planning in Israel, those who do the planning are not responsible for the implementation, and, as a result, some excellent plans are gathering dust in his drawers.

On closer examination, it turned out that this statement simply followed a long-established tradition of not taking responsibility because, after all, the Interior Ministry is directly responsible for local government and, as such, has the power to carry out those plans it feels must be implemented.

As for the Negev, there seems to be no plan for it at all today. Eli Dayan, mayor of Ashkelon and originally a senior member of Knesset, revealed at a symposium in Beersheba last year that "in the past five years, no discussion whatsoever concerning industry in development towns took place in the government."

Shmuel Cohen, mayor of Mitzpe Ramon, added that "Ben-Gurion's vision concerning the future of the Negev has become void."

BUT NOT everyone is pessimistic. Scientists working on projects designed to make desert living more attractive feel strongly that the Negev can — and should — have a large population.

Says Prof. Dov Pasternak, an expert in sea-water irrigation at Ben-Gurion University's Boyko Institute of Applied Research: "There is no reason whatsoever why people would not live in the desert." The weather and the solar energy more

than compensate for the distance, which, in any case, is small by international standards (it takes three hours to drive from Beersheba to Eilat).

But while people in Arizona are moving to the desert in search of a better quality of life, it is ironic that Israel, which has pioneered the greening of the desert, should find it so hard to attract substantial numbers of people to the Negev.

One reason may be the great gulf between what can be done and what, in fact, is being done. Instead of earth-sheltered or adobe houses, Negev towns look like poor, developed towns anywhere, with prefabricated, standard-issue apartment blocks that do not reflect the desert environment.

The public gardens, where they exist at all, are wasteful because they usually rely heavily on irrigation, whereas today there are many plants that are known to be resistant to pollution, dust and drought.

And industry is often in conflict: establishing two towns — Yeroham and Dimona — so close to one another and so close to Beersheba means that they are thrust into competition with each other for trained personnel, fast roads and sophisticated industries.

Stanley Kaplan, a moving force in the recent conference on desert

development in Tel Aviv and himself an engineer with a personal commitment to the integration of disciplines in solving such problems, believes that there are essentially three phases of desert development.

The first is simply "conquering nature." The second is the actual greening of the desert, through settlements and agriculture. And the third involves coupling limited resources with high technology.

In this phase, the desert becomes a positive asset.

Prof. Arie Issar, who holds the Pehar Chair in desert hydrology and water resources engineering at the Jacob Blaustein Institute for Desert Research in Sede Boker, echoed the widely held belief that the Negev is Israel's future, with great resources of land and water.

"The Arava," he says, "can be like the Jezreel Valley. The Dead Sea is rich in minerals and Beersheba can be a great industrial centre."

There is an infrastructure. The only drawback is a lack of vision, and this is a banal thing to say. Ben-Gurion was a strong leader, and strong leaders attract yes-men. When the leader leaves the scene, these lesser lights take over.

"The pioneering era is over, and now the grey people have taken over. This is natural."

Even the kibbutzim and moshavim are tired. They are undergoing a value crisis and cannot cope with the challenge. They have not yet become used to the fact that this is not a government dedicated to productive settlements. And instead of pioneering, instead of putting up great experimental farms in areas in need of development, they play the stock market.

According to Issar, the Arava region can become a cattle-growing area as well as the seed-growing area of Israel, and its produce has already replaced some expensive imports. Large farms can be set up there by private enterprise... except for the fact that in Israel, because everything is institutionalized, investors will not be able to get the necessary permits from the

Agriculture Ministry. This vision also entails a large cadre of researchers who will live and work in the area.

"Scientists push farmers and vice versa, but while once this was a wheel setting a wheel in motion, today it is a wheel obstructing a wheel," he says. The result is that little gets done.

Another impediment is the "metropolitan syndrome" of Israel's electoral system: a metropolitan, rather than regional, representation. The metropolitan of the Arava, if ever spread over a vast area, means it is the students of one urban neighborhood. Lip-service may be paid to the development of the Negev, but the money is spent elsewhere.

IRONICALLY, the death of Ben-Gurion's dream has created a renaissance for the army in the Negev. In the race between the settlers and the military for "pioneering" of state lands, the army seems to be winning hands down.

And as Eilat Golan, director of the southern region for both the Agriculture Ministry and the Jewish Agency, says, once an area has become an artillery range for even a brief time, it is no longer possible to settle in the desert and start too great.

There is a third "obstacle" as well: the Nature Reserve Authority. Already one million dunams in the Negev have been set aside as nature reserves, and recently a proposed moshav in the Arava, Shohat, was scrapped because the authority won a court order to turn it into a nature reserve. Today a three-sided battle is being waged over Scout Valley (Eilat) between the Egyptian border.

Some scientists, like Prof. Joe Gale, director of the Sede Boker Institute, are happy that they have more time to perfect their projects before they are implemented.

The Beduin, too, may have a breathing space after the Tel Mithla evacuation.

So far, there are no more Jewish settlers in the Negev (apart from Beersheba) than Beduin, and the Beduin town of Rahat is as successful as Arad (although it has yet to create a viable industrial zone to provide quality jobs for its population).

The Negev is there, waiting. It is peaceful, fresh air and some breathtaking scenery. But with Ben-Gurion gone, who will lead the Children of Israel into the desert once again?

Stunning singers

MUSIC REVIEWS

THE MOTET CHORUS from Munich, though billed as an a cappella group, used brass groups of two trumpets and six trombones, fashioned after Baroque models.

This fitted well with the Schuetz Psalms but did not enhance the sound of the men's voices with music from later periods. On their own, they played a Canzone by J.C. Bach and a piece by Hassler, which made for a welcome contrast to the vocal numbers.

One slight flaw in the proceedings was the similarity of the settings, making one long for contrasts in dynamics and content. Also, the Brahms *Fest- und Gedenksprüche* (Fest and remembrance sentences) cannot mean much to an audience that does not understand the words even when they're intelligible and here they mostly weren't. Although the conductor worked hard to achieve lively and meaningful performances, and the choir displayed great discipline and commitment, it was rather stiff in attitude and "academic" in presentation. Perhaps part of the trouble is that the Liturgica is an embarrassment of riches and the critic who must attend most offerings feels the effect of too many similar concert programmes.

YOHANAN BOEHM

A MOST UNFORTUNATE change in editing had this reviewer making an untrue comment about Ben-Zion Orgad's *Mizmorim Cantata*, performed by the Jerusalem Symphony Orchestra on December 28 as part of Liturgica. The work

shows an individualistic conception of Psalms, and the composer is to be praised for this. That review appeared with others under the headline "Below standard," which was a reference to Haydn's *Stabat Mater* (certainly not one of his best works), and not to the playing of the JSO.

Y.B.

JUBILATE CHORUS (Finland) with Auril Rika conducting (Tel Aviv Museum, January 21). Works by Mikko Pajunen, Victoria, Poulenc, Verdi, Sulo Salonen, Joonas Kokkonen, Greg. Sibelius, Mikko Heino, Kholshani Rautavaara.

THE JUBILATE CHORUS deserves admiration for its programme — presenting no less than six Finnish composers, including such important names as Sibelius, Rautavaara and Joonas Kokkonen, whose opera *The Last Temptations* has gained international fame. The evening provided real insight into contemporary Finnish vocal music. Such a programme policy should serve as an example to our own choirs and especially to our orchestras, which often ignore Israeli composers on their foreign tours.

Whereas the programme was admirable, the singing varied in quality. Most of the works in the first part of the evening, with the possible exception of Kokkonen's *a cappella nissa*, sounded fragmentary. Miss Rika gave exaggerated attention to single phrases, to the detriment of the whole. Phrases did not combine into larger, coherent and significant statements.

The conductor kept dynamics unchangingly subdued, and the sopranos had considerable difficulties with their higher pitches. What seemed particularly regrettable was the absence of a singing quality in vocal execution and interpretation, which led to monotony and prevented the music from flowing.

In the second part of the concert, the choir better showed its potential. The Grieg and Sibelius songs had a mellowness of sound, a more varied range of dynamics and occasionally an imposing and hitherto unheard fullness of vocal sonority. Miss Leila Kilpinen deserves special mention for her impressive solo in the Grieg and Sibelius songs. Though these songs were a great im-

provement on the first half of the programme, it was only in the last two numbers, the Nordic *Summer-night* and the deeply felt setting of the *Magnificat* by Rautavaara, that the choir reached a really praiseworthy standard of performance.

ISRAELI PHILHARMONIC ORCHESTRA: Gary Bertini conducting; with Heinz Holliger, oboe (Tel Aviv, Mann Auditorium, January 5). Mozart: Concerto for oboe and orchestra, K. 314; Bruno Maderna: Concerto No. 3 for oboe and orchestra; Bruckner: Symphony No. 1 in C minor.

WITH HEINZ HOLLIGER, the Maderna concerto and the overwhelming performance of Bruckner's first symphony, this concert became undoubtedly the greatest event the IPO has offered us this season. Holliger's magical handling of the oboe is by now well-known, but listening to him again in the Mozart renewed our wonder. With his unique phrasing, his seemingly unlimited reservoir of air, the precision with which he tackled even the most complicated passages and embellishments, he remains unequalled.

We had only one reservation in

this work: the tone. Mozart needs more melodiousness and a stronger singing quality.

However, that Holliger is also a master of tone became evident in the second work, the Maderna concerto, which opened up to us an enchanting world of sound and new horizons of musical interplay. Bertini wisely gave the audience a few explanatory words before the performance, thus removing a psychological barrier which would probably have stopped the audience listening.

Holliger and Bertini reaped a double success: they not only gave a fabulous performance, but also evoked a truly amazing response.

By using aleatoric techniques (improvisational procedures) in a very special and organized way, Holliger has achieved a new form, a new organization of material within a given segment of time and a new soundscape which is highly imaginative and startling.

The interaction between Bertini and Holliger was fascinating, comprising action and reaction, affinity and contrast.

In short: this concerto,

Maderna's last work (he died in 1973 at the age of 53), is a magnificent manifestation of the ability of music to renew itself in a continuous process of becoming.

But we again had one small reservation: the work seemed slightly too long: even five minutes less would have worked wonders.

Mozart made us happy, Maderna immersed us in wonders of sonority. With Bruckner, a storm broke loose, never abating until the last sound of this monumental work.

Bertini's performance was outstanding. His stormy temperament, combined with a depth of feeling, was the right answer to Bruckner's two opposed moods. The fiery *Allegro* was followed by a deeply felt *Adagio*. The *Scherzo*, in a passionate performance, ruthlessly roused us from brooding and pensiveness.

And then Bertini electrified us with the crowning last movement. His conception of the symphony was marked by great depth, far-sighted architectural design and an emotional involvement which not only carried the players with him, but swept the audience off its feet. Thank you, Mr. Bertini.

BENJAMIN BAR-AM
Recital: Gila Yaron, soprano; with Idith Zvi at the piano (YMCA Auditorium, Jerusalem, January 5). Paul Hindemith: "Marienleben" (words by R.M. Rilke).

PAUL HINDEMITH's death 20 years ago was the justification for presenting his *Marienleben*, a cycle of 15 songs with words by Rainer

Maria Rilke, considered one of the composer's outstanding works. Coming as it did after a marathon of liturgical music, it seemed like an although to the spiritual and a new wonder why no other work by the master was chosen.

One also wondered at the suitability of making an audience listen for nearly 90 minutes to the elaborations of a romantic poet (whose greatness is beyond question, but who here sounded surprisingly naive in a setting of non-romantic, non-poetic music of a rather dry, brittle character — the more so as the symbolism and meaning of the texts is so far removed from us).

The vocal, mental and intellectual effort of soprano Gila Yaron cannot be praised too highly. Her stamina in all respects deserves the highest acclaim, and her presentation, from a technical and musical point of view, was admirable. Her accompanist contributed a clear and precise piano part and collaborated most satisfactorily with the singer.

The meagre attendance observed repeatedly on these Thursday afternoons, may perhaps convince the authorities that there is no audience free — or interested — in these events at this particular time of day.

And to sit through such a recital in a cold, draughty hall at the end of a year is more of a punishment than a musical experience.

YOHANAN BOEHM



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Multi-\$m. contract for Lavi engine blades goes to Iscar

By DAVID RUDGE
Jerusalem Post Reporter

HAIFA. — A Nahariya company has won a multi-million dollar contract to supply blades for the engine of the new Lavi fighter plane. The Jerusalem Post was told yesterday. Iscar Blades will start production tomorrow of the forged blades for the compressor of the new engine. The cast blades for the engine turbines will be produced by the Beit Shimon engine company, but the final machining and coating will be carried out by Iscar.

General manager Baruch Bahat said his company had won the contract in the face of stiff international competition.

Bahat, who retired from the Israel Air Force with the rank of Aluf-Mishne (Col.) said the first blades should be ready by the end of this year and would be shipped to the U.S., where the Lavi engine will be manufactured.

The blades will be put through extensive engine tests to guarantee their quality before leaving the factory.

In the meantime the company will gradually build up its manufacturing facilities, with the introduc-

tion of more automated equipment, so that it will be in a position to start mass production. Bahat said the process would take a number of years.

He declined to say how much the contract was worth or disclose the total production levels, saying this was classified information.

The Lavi engine will contain many parts that are similar to engines used in the American-built F.15 and F.16 planes. Bahat said he anticipated that 85 per cent of the blades produced for the Lavi engine would also be suitable for use in both the F.15 and F.16 engines. This would ensure that there would be plenty of spares for the three planes.

Iscar Blades was established in 1969 to answer the needs of Israel Aircraft Industries. It now produces 500,000 blades a year, 90 per cent of which are exported.

The company employs 450 people, but Bahat said there were no plans to expand the workforce because of the new contract. He said they would meet production targets by increased efficiency and the introduction of additional sophisticated automated machinery.

CAL applies to U.S. for Atlantic route

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — Cargo Airlines (CAL) recently renewed its efforts to branch out beyond its sole Tel Aviv-Cologne run and has applied for permits to carry cargo also between Cologne and New York.

However, the U.S. Flying Tigers and Transamerica companies have filed objections and according to CAL the matter is now pending before the American authorities.

CAL general manager Zafir Nelkin told The Jerusalem Post

yesterday that his company was planning to operate two transatlantic flights a week. "There is no shortage of cargo," he said.

CAL has no planes of its own. Its operators' licence restricts it to flights to Europe and it has been using a Boeing 747 chartered from the French UTA company for its daily runs.

Nelkin said that if the request to fly the Atlantic route is granted, CAL will use its present Boeing or charter another, possibly from El Al.

U.S. car sales up 18 per cent last year

DETROIT (Reuters). — Sales of U.S.-made cars in 1983 rose 18 per cent over the previous year, giving the industry its best year since 1979, motor companies reported Friday.

Figures from General Motors, Ford, Chrysler and American Motors confirmed that the industry was continuing to recover from its four-year slump, although industry analysts said sales remained modest by previous standards.

Sales for 1983 were 6,795,300, compared with 5,756,700 in 1982, the lowest figure since 1961.

"I expect 1983 will go down as the year the auto companies recovered from a recession that was deeper and longer than the Great Depression," analyst Arvid Jouppe told Reuters.

Ford and Chrysler each had their best year for sales since 1979. General Motors, the world's biggest carmaker, had its best sales since 1980. For the much smaller American Motors — owned 46.4 per cent by Renault of France — it was the best sales year since 1975.

General Motors' sales went up 15.3 per cent, to reach 4,053,600. Ford was up 16.8 per cent, to 1,571,300, and Chrysler 22 per cent, to 841,600. American Motors sales soared 72 per cent, to 193,300, but Volkswagen of America was down 6.7 per cent, to 85,000.

Honda of America, in its first year of manufacturing, sold 50,400 cars.

Industry analysts forecast that when full-year financial results for 1983 are reported in February, the car companies will have net profits of about \$6 billion. As recently as 1980, the four major American manufacturers lost more than \$4b.

\$9.9 billion Getty-Texaco deal largest buyout in U.S. history

NEW YORK (AP). — In what could become the largest corporate takeover in U.S. history, Getty Oil Co. said its directors agreed Friday to a buyout by Texaco Inc.

If the proposed takeover is completed, it would increase Texaco's assets by 37 per cent and double its crude oil reserves, although Texaco would remain the nation's third-largest oil company, behind industry leader Exxon and No. 2 Mobil.

The deal climaxed months of warring between Getty management

and Gordon Getty, the youngest surviving son of Getty's founder, billionaire J. Paul Getty.

The Dow Jones News Service reported that Getty directors had approved a Texaco offer to buy 100 per cent of Getty's stock for \$125 a share. Spokesmen for Getty and Texaco declined to confirm or deny the report.

If Texaco paid \$125 a share for Getty's 79.1 million shares of common stock, the deal would be worth \$9.9 billion — by far the largest buyout in U.S. history.

Employment situation unclear

By CHARLES HOFFMAN
Jerusalem Post Reporter

Mixed signals on unemployment in December emerged last week from two government agencies, dealing with the problem.

The Employment Service, which tries to match job-seekers with work offers from employers, noted a rise in unemployment compared with November, from 9,541 to 10,070. The service defines as unemployed a person who registers for a job through the service, but cannot be provided with work.

Fewer people came looking for work at the service last month: 32,808, compared to 35,287. The slow-down in business activity and uncertainty about the future was reflected in the drop in the number of requests for workers received from employers.

The National Insurance Institute,

which pays unemployment benefits to those certified by the Employment Service, noted a drop in applications for jobless benefits last month. There were 9,174 applicants in December, and 9,890 in November.

The number of "registered unemployed" counted by the service does not match the number of applicants to the NII because not all of the "registered unemployed" qualify for unemployment grants. Some of them, for example, may not have worked for the previous six months or paid their contributions to the NII unemployment insurance fund.

A third indicator of unemployment is a survey carried out every three months by the Central Bureau of Statistics. The last survey showed about 50,000 people looking for work.

Caribbean islands struggle to protect their tourism

BRIDGETOWN, Barbados (Reuters). — Caribbean countries, fearful that the world recession and an image tarnished by regional unrest will drive tourists from their white beaches, plan to pool their resources to promote their attractions.

Last month 28 Caribbean countries agreed to set up a joint \$5 million advertising operation in Frankfurt, to try to woo back thousands of Europeans who now take their holidays closer to home because of the squeeze on incomes and the effects of a strong dollar.

Many of the Caribbean currencies are tied to the dollar, and its steady rise on world markets over the past year has sharply increased the cost of a Caribbean holiday for non-Americans.

In four years the number of Europeans visiting the tiny Caribbean countries, which depend on tourism as their main source of foreign revenue, has dropped 70 per cent, the Tourism Ministry here says.

Political upheavals in Central America and Grenada have contributed to the decline in visitors from outside the traditional North American market, officials say.

The Caribbean Tourism Association says 7.2 million people visited the region in 1982, including 4.2m. Americans, generating more than \$4 billion in revenue and providing employment for 270,000 people.

Jobless rate continues to fall in the U.S.

WASHINGTON (AP). — Unemployment fell to 8.2 per cent in December, continuing the steady improvement from the double-digit peak jobless level of a year ago, the government reported Friday.

Since joblessness hit a post-depression high of 10.7 per cent in December 1982, total U.S. employment has soared by 4 million, the Bureau of Labor Statistics said.

The report said that more than 335,000 Americans went to work last month, and that the total number of those officially categorized as unemployed shrank by 230,000, to 9.2 million. At the height of the 1981-82 recession, more than 12 million were out of work.

WHAT'S ON

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Your money & your questions

By JOSEPH MORGENSTERN
Post Finance Reporter

QUESTION: What do you mean when you say that bank shares will yield 20 per cent if held to redemption?

ANSWER: The bank shares, following the government's guarantee, have assumed the characteristics of dollar-linked bonds. The basic guarantee states that holders of these shares will be entitled to the equivalent shekels of \$104 for each \$100 worth of these shares, at their October 6, 1983 value and the then existing dollar exchange rate.

As the price of the bonds fell in terms of their nominal value and while the shekel continued to be devalued against the dollar, the yield on an investment in these shares has continued to rise. On the basis of recent bond yield calculations, they offered the investor a 23 per cent yield, on an annual basis, which is linked to the current rate of exchange.

QUESTION: When I moved to Israel in 1972 I used dollars to buy my home in Jerusalem. I recently sold it, since my wife and I no longer require a large home. At my bank I was told that I cannot convert the shekel proceeds from the sale back into dollars. I was told that I could convert shekels into dollars only up to the amount of dollars which I converted into local currency during my stay in Israel, and this only against the presentation of original foreign currency conversion slips. Could you clarify what I am and what I am not allowed to do?

ANSWER: A foreign resident who has purchased a home in Israel may convert all of the proceeds into foreign currency when he sells his home. Of course, he must have bought the home with the proceeds of foreign currency brought in from outside the country. A temporary resident, a permanent resident or an oleh may repurchase foreign currency using shekels up to a maximum which is represented by the

total of all foreign currency conversions which he has carried out over a period up to 20 years.

According to the foreign currency regulations published by the Bank of Israel the individual must present to his bank documentation of the conversion of foreign currency into shekels. In some isolated instances the banks have been satisfied with a declaration of previous conversions and a further declaration that no repurchases of the currency had been previously carried out.

QUESTION: Who is entitled to participate in the blocking of bank shares in special savings schemes?

ANSWER: Any individual who on October 6, 1983 held shares which are part of the agreement and did not trade in them. He has until January 20 to decide whether he wants to place his shares in the "blocked accounts."

QUESTION: Are partnerships and institutions entitled to block their bank shares in the special savings accounts?

ANSWER: Neither partnerships nor institutions are entitled to this privilege.

QUESTION: Which Israeli companies successfully raised funds on the American capital market in 1983?

ANSWER: Elscint on January 18, 1983 raised \$28.2 million; Elron Electronic Industries raised \$26.25m. on May 11, 1983 and Scitex raised \$39.5m. on May 26, 1983. Fibronics and BioTechnology General also raised funds on the American market. But since they are registered in Delaware, they do not fall in the category of Israeli companies.

IOWA. — Plans for a proposed \$75m. Iowa World Trade Centre in downtown Des Moines, designed to sell farm and farm-related products to the world, was unveiled last week. The proposed 30-storey building could be started late this year.

ENTERTAINMENT

TELEVISION

EDUCATIONAL:
8.40 School Broadcasts 15.00 Surprise Trivia 15.25 Touch 15.45 Follow Me
English for Adults 16.00 The Heart (part 19) 16.25 Sunsum Street 17.00 A New Evening — five magazine
CHILDREN'S PROGRAMMES:
17.30 DIT/Ten Strokes: Hall Monitor
18.00 Cartoons
ARABIC-LANGUAGE programmes:
18.30 News roundup
18.35 Sport
19.27 Programme trailer
19.30 News
HEBREW PROGRAMMES resume at 20.00 with a news roundup
20.02 Pillar of Fire (part 2)
21.00 Mabat Newsweek
21.30 Are you Being Served
22.00 This is the Time
22.30 Stranger — British suspense series starring Don Henderson, Dennis Blanch, Fiona Mollison and Mark McManus: Soldiers of Misfortune
23.35 News
JORDAN TV (unofficial):
17.30 Cartoons 18.00 French Hour 18.30 (UTV) Science Film 19.00 News in French
19.30 News in Hebrew 20.00 News in Arabic 20.30 To be announced 21.10 Documentary 22.00 News in English 22.15 Hart to Hart
MIDDLE EAST TV (in North only):
13.00 Shape-Up 13.30 Tonight 14.00 Another Life 14.30 700 Club 15.00 Afternoon Movie 16.30 Spiderman 17.00 Popeye 17.30 Super Book 18.00 Laramie
19.00 Bonanza 20.00 Another Life 20.30 World News Tonight 21.00 Entertainment Special WKRP Cincinnati 21.30 Sports NFL 22.54 700 Club 23.34 News Update

Fika Salonen (Finland); Baid; Trisna Karna (Holland); Piano Concerto 19.05 Music Quiz (repeat)
19.30 Little Concert
20.00 From Jewish Folklore
20.30 Music Days in Gassen for Young Artists, 1981, with the Frankfurt Radio Symphony Orchestra, conducted by Hiroyuki Iwaki — Mozart: Concerto for Flute and Harp, K.299; Mozart: Aria for Soprano, K.76 and K.369; Mozart: Piano Concerto in A major, K.488; Saint-Saëns: Introduction and Rondo Capriccioso; Merced: First Concerto; Scyranowski: Songs of the Muses; in Love; Haydn: Trumpet Concerto; Gershwin: Rhapsody in Blue
23.00 Music and Words

First Programme
6.02 Programmes for Olim
7.30 Light Classical Music
9.30 Encounter — live family and social affairs magazine
10.30 Programme in Easy Hebrew
11.10 School Broadcasts
11.30 Education for all
12.05 Sephardi songs
13.00 News in English
13.30 News in French
14.05 Children's programmes
15.53 News on a New Book
16.05 Illegal Immigration from North Africa 1955-64 (part 1, repeat)
17.12 Jewish Ideas
17.20 Everyman's University
18.05 Afternoon Classics
18.47 Bible studies
19.05 Reflections on the Portion of the Week
19.30 Programmes for Olim
22.05 Talks on halachic matters
23.05 Every Man has a Star — with astrologer Sam Pecker

ON THE AIR

Voice of Music
6.02 Musical Clock
7.07 Telemann: Concerto for 3 Trumpets; Vivaldi: Concerto for 2 Violins, Lute and Continuo (Solisti di Venezia); Bech: Brandenburg Concerto No.1; Trenchard: Pastorale; Mendelssohn: Piano Concerto No.1 (Felicja Blumenthal); Haydn: Symphony No.48 (Baroncelli); Mozart: Concerto for 2 Violins, K.190; Cherubini: Symphony (Los Angeles, Schwartz); Mithrid: The Dream of Joseph, suite for Oboe and Strings; Ravel: La Valse (Abbado); Smetana: String Quartet No.2; Grieg: Old Norwegian Romance, with Variations; (Bournemouth, Berglund); Chopin: Scherzo in E major (Krzysztof Zimerman); Berlioz: Harold in Italy
12.00 An Hour with Uri Shoval (live) — works by J.S. Bach and his sons
13.05 Musical Greetings
13.07 The History of Music
13.30 Youth Programme — Schoenberg and Sondheim the Sailor, music by Rimsky-Korsakov; Stravinsky: Firebird; music for ballet
16.30 LITURGICA 1983 — Brahms: Deutsches Requiem, Op.45
Jerusalem Symphony Orchestra Gary Berlin, conducting, with Edith Wiens; Lohy: Firebird; the Munich Motet Choir; The Jubilate Choir, Finland; The RAU Choir, South Africa
18.00 Musica Viva — From the International Composers' Rostrom — Casali Eho (Finland); Quiet, for Orchestra; Asa-

Second Programme
6.12 Concerts
6.30 Editorial Review
6.53 Green Light — drivers' corner
7.00 This Morning — news magazine
8.00 Safe Journey
9.05 House Call — with Rivka Michaeli
10.10 All Shades of the Network
12.05 Open Line — news and music
13.00 Midday — news commentary, music
14.10 Matters of Interest — with Gabi Clark
16.10 Safe Journey
17.10 Economics Magazine
17.30 Of Men and Figures
18.05 Questions and answers on halachic matters
18.45 Today in Sport
19.05 Today — radio newscast
19.30 Law and Justice Magazine
20.05 Cantorial Music
22.05 Followings
23.05 Treasure Hunt — radio game
Army
6.06 Morning Sounds
7.07 "707" — with Alex Anati
8.05 Evening Newscast
9.05 Right Now
11.05 Israeli Winter — with Eli Winer
13.05 Two Hours
15.05 What's Wrong? — with Erez
16.05 From the Afternoon
17.05 Evening Newscast
18.05 Army and Defence Magazine
19.05 Music Today — music magazine
20.05 Israeli Rock
22.05 Music — TV Newscast
23.05 Israeli songs
23.05 Popular songs
00.05 Night Birds — songs, etc.

CINEMAS

JERUSALEM 4, 7, 9
Eden: Lone Wolf Macquade; Edison: Sahara; Habra: Return Home 4, 6, 45, 9; Kfir: Who Will Love My Children; Mikhel: I Love You Carmen 7, 9; Orion: A Woman in Argentina; Orna: The Commandos; Rake: 4, 4, 7, 9; 8:15; Semadar: Sophie's Choice 6, 45, 9; 8:15; Blayvay: Ha'men: To Begin Again 7, 9; Orion: Superman III, 6; Dr. Zhivago, 8:15; Chomathque: Children of Hiroshima 7; Dr. Strangelove 9:30.
TEL AVIV 430, 7, 15, 9:30
Alkemy: Aunt From Argentina; Bes-Yehuda: Lone Wolf Macquade; Chai 1: Trading Places 4, 30, 7, 9:30; Chai 2: Of a Fleer and a Gentleman 4, 30, 7, 9:30; Aladdin and the Wonderful Lamp 4, 30; Chai 3: Blue Thunder 4, 30, 7, 9:30; Chai 4: Carney Row 4, 30, 7, 15, 9:30; Chai 5: Psycho II 4, 30, 7, 15, 9:30; Chai 6: Baby Love; Chai 7: 15, 9:30; Chai 8: Dekal: Star Chamber 7:15; Table for Two 9:30; Sex, Lies, and Videotape; Chai 9: L'Ami: Get! Love You Carmen; Gordon: Avert from a Fool; Heel: Sahara; Lev 1: Money Python's Meaning of Life, 1, 30, 4, 30, 7, 15, 9:30; Lev II: Local Hero 1, 30,

4, 30, 7, 15, 9:30; Limer: Zorba the Greek 4, 6, 45, 9:30; Maxim: Looking for Love 9:30; Only: Deadly Summer 4:15, 7:15, 9:30; Days of Eden 10, 12, 7, 4:15, 9:30; Peer: Morille Randomness; Shafar: Dance; Studio: Who Will Love My Children; Tishet: Merry Christmas; Lawrence: Tel Aviv; Moshé: Moshé; River: Zafar: Vivent Dites 7:15, 9:30; Bed: Hachshara: L'Affaire rouge 7:15, 9:30.
HAIFA 4, 6, 45, 9
Amphibious: Enigma; Arnon: A New Argentina; Arnon: A New Argentina; Flash Dance: Maria: World According to Garp 6, 30, 9; Osh: Sahara; Orion: House on the Rocks 6:00; Orion: The Way We Were 6:30, 9; Orion: Trading Places; Orion: Revenge of the Mummy; Orion: Heat and Dust 6:45, 9; Orion: Cultural Centre: Le dernier jour d'un condamné 6:45, 9.
RAMAT GAN
Arnon: Love You Carmen 7, 9:30; Orion: Sawyer 4; Lity: Yel 7:15, 9:30; Orion: Trading Places 7:30; Orion: Psycho II 4, 30, 7, 15, 9:30; Orion: Takes Girl 4; Ramat Gan: Cultural Centre: 9:15.
HERZLIYA
David: Aunt From Argentina; Mikhel: Trading Places 7:15, 9:30; Orion: Your Eyes Only 4; Sawyer: 4:30, 7:15, 9:30.

ONE-AND-ONE CROSSWORD

ACROSS

- Hardware shop 66 feet long? (5, 5)
- In Wales she doesn't take tea, one hears (4)
- Significant I'm left on board with a busybody (9)
- Possibly no degree (second) for one who does this (4)
- Fit for tackling (5)
- Actually sounds rubbish to a friend (9)
- Expenses writers forgo for unknown quantities (4)
- Doing sovereign work on the soil? (7)
- It isn't rural in the broadest sense (7)
- Our last letter to the Greeks (4)
- Reckons one million is sunk in landed property (9)
- Spoil my first afternoon with the king (5)
- Where to return if James' head is cut in two (4)
- Tipped off perhaps, getting the wink on... (2, 5, 4)
- ... certain items from all quarters (4)
- Third party fruit (10)

DOWN

- Asiatic with a sound connection (4)
- Is breaking the record, so to speak (4)
- Master of Arts before the revolution (4)
- Vessel can hold something fit to drink (7)
- Observed noted small gems (4-6)
- First class questionnaire? (5, 4)
- Red-head that takes the biscuit (6, 3)
- Round to start a fight (3)
- Profrigate maybe, but at least he's not tight (5, 5)
- Appropriate girl to be offended by (4, 5)
- Giving up plaster-work (9)
- Assign a place for commuters, say (7)
- A British airborne visitor (3)
- Key study of the original garden (4)
- Want to change 26 (4)
- Where it's said, to look for a really big bed (4)

QUICK CROSSWORD

ACROSS

- English landscape artist
- Angle
- Always in leaf
- Contradict
- Record
- Book of maps

DOWN

- Tune
- Deadly
- Concentrated beam devices
- Beast
- Precious metal
- Edible grain
- Marsh plant
- Scamp
- Perpetually
- The margin (anag.)
- Idolise
- French river
- Traditional tale
- Crypt anagram
- Writer
- Not much
- Sleep lightly
- Snare

GENERAL ASSISTANCE

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E G G A N D S P O O N R A C E

QUICK SOLUTION

ACROSS:
1. Bear, 2. Nature, 3. Pecan, 4. Mabel, 5. Speech, 6. Adages, 7. Alert, 8. Harbour, 9. General, 10. Mabel, 11. St. Christopher, 12. Sabre, 13. Avarice, 14. Udder, 15. Pyramid, 16. Crumb, 17. Senate, 18. Swagart, 19. Coleridge, 20. Globe, 21. Chisel, 22. Snail, 23. Rabbit, 24. Roost.

Art Rauh
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

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Shvat 5, 5744 • Rabia-Thani 5, 1404

Sharon seeks a china shop

THE NOMINATION of Ariel Sharon by his Herut colleagues as the party's candidate for head of the World Zionist Organization's Aliya and Absorption Division — and, at the same time, of the Jewish Agency's Aliya Department — is not exactly an act of political perspicacity.

Herut does have a problem, it is true, in making such appointments. For though these appointments represent nothing but Herut's piece of the patronage cake in the highly politicized WZO/Agency machinery, some of the candidates have been unacceptable to most of the other Zionist parties, and to diaspora leaders who have been given a veto right over them. Thus, for example, Yoram Aridor, before he was let loose on Israel's economy, was denied the position of WZO/Agency treasurer. And only last October, Herut's Raphael Kottowitz was ousted from his job as aliya chief.

Now Mr. Sharon may be refused the appointment for the same office, by the Zionist General Council, which opened its session in Jerusalem last night. And even if his candidacy is approved by the council, chances are that the necessary confirmation will be denied by the Agency's Board of Governors next month. If that happens, it will be a slap in the face for Israel's ruling party.

For one thing there is a legal issue involved, since Mr. Sharon wants to continue serving in the cabinet. The best legal opinion is that such a combination would be unlawful. It is rather in character for Mr. Sharon not to be bothered by any such argument. Having had the Defence Ministry taken away from him in the wake of the Kahan Commission's findings, Mr. Sharon has had to content himself with the lowly post of minister-without-portfolio. But he has not been very content.

He has spent much of his time running around the world, attacking Israel's enemies, Israel's opposition and Israel's official policies, not necessarily in that order. Now he wants something more substantial to do, and aliya seems like a good thing, provided it does not cause him to be stripped of his cabinet power base. The prime minister, Yitzhak Shamir, is willing to cooperate, perhaps because the proposed arrangement would help keep Mr. Sharon busy with non-Cabinet matters.

Mr. Shamir, too, does not seem to be overly exercised by the reported illegality of the arrangement.

But Mr. Sharon would be totally unacceptable as aliya chief even if he were willing to give up his ministerial job. For the idea that a man of his stripe would be able to attract Jews to Israel, in these hard times for the country, is whimsical indeed.

If within Israel Mr. Sharon commands the loyalty of some groups on the far right, this is not a prescription for popularity abroad, especially in America. If, of course, his supporters are interested in totally disrupting the World Zionist Organization, Mr. Sharon is the perfect candidate. Such an intent has not yet surfaced, however.

A secret ballot at the Zionist General Council would, no doubt, produce a majority against Mr. Sharon, and Arye Dulzin, a Liberal Party leader and chairman of the WZO and Agency executives, has already given voice to that body of opinion.

Herut has warned that, if Mr. Sharon is not given the job, it would pull out of the WZO. This would be regrettable, for Herut is, after all, the country's ruling party. But even the politicians who air such threats must know that it is not serious.

POSTSCRIPTS

SECURITY CON-
SCIOUS as Israelis may have to be, a sign that things may have got out of hand turned up recently at the maternity ward of Jerusalem's Hadassah University Hospital in Ein Karem. When the head nurse was asked on the telephone whether a friend

of ours had given birth, she answered yes and volunteered that mother and child were healthy.

However, when asked the obvious question, "Is it a boy or a girl?" the nurse replied starchyly, "We are not allowed to give out that kind of information." (JC)

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IN PLACE OF STAGNATION

With the Zionist General Council in session in Jerusalem this week, Avraham Katz examines the defects in the World Zionist Organization and suggests ways of strengthening the body.

THE NEED to make critical and correct decisions is greater today than at any time in the past. The World Zionist Organization has been at a crossroad for over 30 years, and a continuation of this situation is likely to lead to its complete disappearance as a factor in Jewish-Israeli life and to the loss of all its status and identity.

In fact, the World Zionist Organization reached the crossroad with the establishment of the State of Israel. Most of the organization's functions were transferred to the government of Israel, and the young state and its government quickly dominated the central stage in Jewish affairs. With that, the World Zionist Organization was pushed into a marginal area.

It was expected to forcefully achieve one of its main purposes: the ingathering of the majority of the Jewish nation within its homeland. But the results were delayed in coming.

The large-scale aliya from Asia and Africa materialized as a result of the creation and existence of the state, not as a result of Zionist educational activity and policy. Moreover, the major centre of the Jewish Diaspora moved to the largest, richest and most influential Jewish community — the United States — and the political, economic and security orientation of Israel was directed with the United States in mind.

David Ben-Gurion most pointedly expressed the expectation that the World Zionist Organization would strongly "attack" the Jews in the United States, but this "attack" was unsuccessful. The Jewish community in the United States and its leaders did not accept the call to self-fulfilment through aliya as an obligatory Zionist purpose.

The Basel Programme was exchanged for the Jerusalem Programme in which the commitment to Zionist self-fulfilment was diluted. This was a sort of ideological and pragmatic compromise.

And so, with the acceptance of the Jerusalem Programme, many bodies which in the past were careful not to identify with the World Zionist Organization, began to come closer to it — the Conservative, Reform, Orthodox, and others, could join because the demands made of them were minimal. The largest and most widely embracing Jewish organization in the world thus became a framework in which classical Zionism was weakened and diluted.

IN THE DIASPORA, the WZO is organized through the Zionist federations, whose situation in most countries is extremely bad. After the important task of donation and fund-raising was taken from the WZO, according to an agreement, the Zionist federations were left with no meaningful function.

In addition, Israeli governments have preferred to further their relationships (visits of Israeli government ministers, and so on) with the fund-raising organizations (UJA, etc.) rather than with the federations.

Another factor which contributed to this reduction in status was the basing of the federations on classical Zionist political parties whose centre was Israel.

But the community Jew did not grasp the "political party game" and preferred activities in organizations such as UJA. As a result, the parties deteriorated still further; they did not take upon themselves the Zionist obligation, they did not

collect money, they did not become active in Jewish education. All that remained were the ideological arguments and conflicts on positions and honour in the Zionist congresses.

Classical Zionist activity was now reduced to the lowest common denominator. And this is the real problem: has "Zionism" in our time been reduced to simply love and support of the State of Israel, concern about the existence of the Jewish nation and the prevention of anti-Semitism. If this is indeed so, then the Zionist Movement and the WZO have lost their uniqueness and value.

THE SOLUTION lies in changing the framework and creating a new set of frameworks.

The first should be Bilu (or any other suitable name), to represent a minority, such as the same faithful minority at the beginning of this century who saw Zionism as a personal duty and made aliya to Eretz Yisrael.

This framework will include those who obligate themselves to make aliya to Israel as well as those who are in the first stage of their aliya (between three and five years).

This is a small and valued group with a special status. Membership in it will be on a personal basis, and its institutions — which will be organized on a democratic basis — will have a defined representation in the WZO (I would suggest 10 to 20 per cent). Chairmanship of the Aliya and Absorption Department should be given to a chosen representative of Bilu, keeping in mind Bilu's involvement in this area.

The second grouping, "Lovers of Zion" — However Zion — or any other suitable name, for all who identify themselves with the

Dry Bones



Jerusalem Programme and its principles. Membership in this group, too, will be on a personal basis: direct, and in no way automatic (automatic membership such as that which exists today loses all meaning and makes the subject of membership ridiculous). "Lovers of Zion" will be organized on a group basis (parties, organizations, community centres, and the like).

The third grouping will be Israeli, representing the Zionist parties in Israel, according to their relative strength in the Knesset. Israeli representation will be reduced from 38 per cent to one-third.

The advantage of the suggested framework is as follows:

- It is faithful to reality and is not based on dreams of the past;
- It emphasizes the most important goal of Zionism — aliya;
- It will turn the WZO into the dominant organization in Jewish life;

□ It will allow a permanent and meaningful dialogue between Israel and the Jewish communities of the Diaspora;

□ Continuation of the "Zionization" of the fund-raising organizations (in the framework of "Lovers of Zion").

In my opinion, the World Zionist Organization has today no choice: its situation demands difficult and serious decisions. I am not ignoring the difficulties inherent in making radical decisions; it is much easier to continue according to the old rules, which mean stagnation and deterioration.

A new appraisal along the lines I have suggested could turn the WZO again into a strong, honoured and efficient element in the Jewish world.

The writer is chairman of the Youth and Hechalutz Department of the World Zionist Organization.

Harming Camp David

By ZALMAN SHOVAL

set all sorts of conditions with regard to Judea and Samaria, the settlements, Jerusalem, etc. before actually agreeing to attend the conference. Then, also immense international and local pressure was put on the Israeli government to force it to accede to the Egyptian demands so as not "to miss the opportunity for peace," etc. The government, however, was steadfast in its opposition to agree to these (or to any other) pre-conditions, and experience has shown that not only did this not weaken the prospects for peace, but, in fact, quite the opposite was true.

When MK Zeigerman, therefore, suggests that we announce a freeze on settlements, because otherwise Jordan supposedly won't talk to us, and when he suggests this in connection with the Camp David precedent, then he is not quite accurate in his argumentation, for he fails to mention that though Mr. Begin had eventually agreed to a halt on new settlements, he had done so at the last stage of the Camp David talks — as a gesture intended to bring the negotiations to a successful conclusion. Now, however, we are requested to agree to this in advance and without any *quid pro quo*!

NO DOUBT MKs Cohen and Zeigerman would both vehemently deny that a common line exists in their respective positions, but as a matter of fact both, though for different reasons, see no sense in Israel continuing along the guidelines and principles formulated at Camp David. Cohen's aims have always been clear: she never wanted anything less than Israeli sovereignty over the whole of Judea, Samaria and Gaza — and

"autonomy" obviously is less than that.

Mr. Zeigerman's proposals probably reflect his general attitude that in return for a peace-agreement with Jordan, it would be no tragedy if Israel were to withdraw ultimately from all or most of the "territories." (And there are those for whom even less than a formal peace-treaty might suffice.) Zeigerman is, of course, not alone in taking this position, and his views coincide with those expressed by some Labour Alignment leaders, as well as with the principles of the Reagan Plan. According to the Reagan Plan, at the conclusion of a certain transitional process, almost the entire territory of Judea, Samaria and Gaza (including the Jordan valley) would be transferred to the exclusive sovereignty of Jordan; while at a later stage, a sort of Jordanian-Palestinian federation (with or without the participation of the PLO) would be set up under the Hashemite crown.

Furthermore, although Jewish settlements in the "West Bank" and in Gaza would be allowed to remain, they, too, would be subject to Arab sovereignty (the Reagan plan states explicitly that they will not constitute "extra-territorial outposts" of Israel). And what about security? All that the Reagan Plan has to say about this is that during the transitional period only the responsibility for "external security" will indeed remain in the hands of Israel but not "internal security." That is to say, Israel would in fact forfeit, after a relatively short time, practical and effective control of the most important stake we have in Judea, Samaria and Gaza, namely that of security!

WHAT HAS all this to do with

Geula Cohen? After all, she certainly opposes the Reagan Plan. Unfortunately, however, she does not seem to draw the logical political conclusions from this. MK Cohen wants Israel to abrogate the Camp David agreements; she would like to see Israel "free itself" from the "constraints" of Camp David and proceed forthwith to complete annexation of the "territories," including their 1.3 million Arab residents.

Agreement at Camp David was based on the understanding that as under the present circumstances, no final arrangements could be made for the Palestinian question, there should initially be temporary arrangements for a transition period of five years. At the end of this phase (actually earlier, as negotiations between the parties — Israel, Jordan, the Palestinian Arabs, and possibly Egypt — were expected to take place earlier), reaching an agreement on the "definite status" would be attempted.

What the exact character of this "status" was to be remained open. (Contrary to the position taken in the Reagan Plan, the U.S. at that time did not state beforehand what its stand would be at that time, and certainly did not embrace the Arab position on the question of sovereignty in Judea, Samaria and Gaza.)

Moreover, on matters of security, the Camp David concept granted Israel a central role, and this in effect also after the end of the "autonomy's" transition period. Furthermore, the Camp David agreements also recognized for the first time in a legal and contractual document, bearing the signatures of the U.S. and the most important Arab nation, Egypt, that, at least

from the standpoint of security, Israel's border is that which runs along the Jordan River and between Eilat and the Mediterranean, including the Gaza strip. Small wonder, then, that the Arab League's representative at the UN rejoiced at the various statements that emanated from Israel's former Arafat-Mubarak meeting, including that of MK Cohen, to the effect that perhaps the end of the Camp David agreements had indeed arrived. What he understood, and MKs Cohen and Zeigerman obviously didn't, was that it is the Camp David agreements that are (to quote Prime Minister Shamir) "the most important safeguard against forcing Israel to withdraw to the 1967 borders."

ANY POSSIBLE arrangement for the future of Judea, Samaria and Gaza must derive from the principle that all sides — Israel, Jordan and the Palestinian Arabs — will have to compromise on some of their goals and aspirations — without, however, having to renounce all of them. Israel should certainly not jeopardize its legitimate rights and interests by an "all or nothing" attitude, which might, in the end leave us with "nothing" — without territories, without a security presence and without peace.

The best guarantee that we do not become entrapped in such a situation is in proceeding along the lines of Camp David in order to achieve a settlement that would try, by allocating and dividing the rights and functions of sovereignty and administration between all the parties concerned, to reach an equitable solution of the problem. This, of course, is the very reason why the Arab rejectionist front tries to wipe Camp David from the face of the earth. America too, as we have seen, is from time to time tempted to abandon Camp David for some formula it deems more acceptable to the Arab side. Voices like those of MKs Cohen and Zeigerman should not make it easier for the U.S. to do so.

The writer is a former Likud-Rafi MK.

Open Letter to Mr. Arye Dulzin

As we are recent immigrants, the issue of aliya is very close to our hearts. We are delighted that Arik Sharon has been nominated to head the Immigration and Absorption Department. The time has arrived for a man of the ability of Arik Sharon to stand at the helm of a department so vital to the State of Israel and the Jewish people.

We call on the Chairman of the World Zionist Organization and on the members of the Executive to elect Arik Sharon, and not to be guided at this time by political considerations.

Gideon Bialistok (Holland)
Joe Coston (South Africa)
Ken and Henna du Plessis (South Africa)
Genadi Filkowsky (USSR)
Selwyn and Eileen Franklin (South Africa)
Mr. and Mrs. Gobitz (Holland)
Gerry and Connie Goldin (USA)
Rabbi and Mrs. N. Gordon (South Africa)
Pauline Jordan (South Africa)
Julius and Ida Kaplan (South Africa)
Alec Kats (Australia)
Meyer and Frada Katz (South Africa)
Mr. and Mrs. Martin Katz (South Africa)
Pierre Landau (South Africa)
Charlie Levine (USA)

Yaakov Lifschitz (USSR)
Israel and Deborah Lifschitz (South Africa)
Yitzchak and Yettie Marcus (Holland)
Errol Meiman (South Africa)
Dave Meimad (Zimbabwe)
Mervyn and Vera Murawitz (South Africa)
Saul Orbach (USA)
Rick Poplinger (USA)
Abe Reichman (USA)
Dr. and Mrs. Edward Rezanon (Italy)
Dov and Fanny Sender (South Africa)
Roy Scher (South Africa)
Leonard and Andrea Silove (South Africa)
Marc Stiefel (Holland)
Ane Weiss (USA)

VOLUNTEERING IN SAFAD

To the Editor of The Jerusalem Post Sir, — It has come to my attention that a letter was published on December 25 stating that I was holding interviews for potential volunteers for the Sherut La'am programme in Safad. The telephone number given was that of the signatory of that letter, David Beidin, and has nothing to do with me.

I am, as was correctly stated, the official contact of Sherut La'am here in Safad, as my job as a social worker in the City Social Welfare Department and as a field worker for the Association of Americans and Canadians in Israel in the Galilee area allow me to place volunteers and find families to adopt them in our city.

It should be made quite clear that neither Mr. Beidin nor the Safad Community Building/Development Foundation is recognised as representing either the Sherut La'am programme or the Western Settlers of Safad, an affiliate of the AACI.

If people are interested in volunteering for Sherut La'am, I can be contacted at Rehov Hanassi 10408, Safad. My telephone at work is 067-72085.

GARY COLEMAN

Safad.

BBC ODDITY

To the Editor of The Jerusalem Post Sir, — For many years a regular listener to the BBC World Service, I hold it in high respect. But from time to time, planned or thoughtless oddities can be heard.

Recently, a new musical programme was announced, to be devoted to "Arthur Rubinstein, the Polish pianist."

There is no lack of adjectives one can use when referring to the great maestro whose ashes were interred the other day in a grove named for him in the hills of his beloved Jerusalem. But surely "Polish" does not sound quite right.

ALFRED WACHS

Haifa.

EMERGENCY MEDICINE

To the Editor of The Jerusalem Post Sir, — I am an emergency physician, practising my specialty for 11 years, the last three in Israel.

An article recently appeared in The Post about an upcoming emergency medicine workshop for physicians.

Emergency medicine is recognized in the U.S. as a medical specialty with training programmes at many university hospitals and specialty examination and certification. However, it is not recognized as a specialty in Israel.

The recognition of the special nature of emergency department services, whether in a hospital, an MDA clinic or a large Kupat Holim clinic, could, in my opinion, improve the quality of care received by the Israeli public.

NORMAN LOBERANT, M.D.,
Fellow, American College of
Emergency Physicians
Kibbutz Rosh Hanikra.

IMMIGRANTS FROM NORTHERN NEW JERSEY

To the Editor of The Jerusalem Post Sir, — Besides working on a kibbutz and sightseeing during their participation in our "Let's Go to Israel" programme during the summer of 1984, approximately 20 students would greatly benefit by being directly involved with Israeli families — particularly former residents from Northern New Jersey. Members of UJF missions would also gain from such a connection.

I would appreciate it if former residents of Northern New Jersey willing to participate in such a project by hosting members of the groups on a Sabbath would write to me at 500 Route 10, Ledgewood, N.J. 07852.

MOSHE SEGEV, Student
Israel Programme Centre,
Morris-Sussex New Jersey
Ledgewood, N.J.